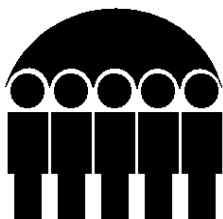


Revised July 6, 2007

Employees' Manual  
Title 13  
Chapter G

# CHILD CARE ASSISTANCE



Iowa  
Department  
of  
Human Services

Page

<b>Overview .....</b>	<b>1</b>
Legal Basis .....	1
Chapter Organization .....	2
<b>Determining Eligibility.....</b>	<b>2</b>
Application.....	3
Voter Registration Procedures.....	5
Priority for Service .....	6
Application for Placement on a Waiting List.....	7
Administration of Waiting Lists.....	8a
Residency .....	8a
Alien Status .....	8a
Application Processing .....	8b
Declaration of Citizenship or Alienage .....	8c
Evidence of United States Citizenship.....	8c
Alien Statuses .....	8d
Aliens Exempt From Five-Year Bar .....	8e
Aliens Subject to Five-Year Bar.....	8f
Battered Aliens.....	8g
Ineligible Aliens .....	8h
Alien Status Verification Requirements.....	8i
Alien Documentation Chart.....	8i
Using SAVE (Systematic Alien Verification for Entitlements) .....	8o
User ID and Password .....	8o
Initial Verification .....	8p
Additional Verification.....	8p
Viewing Cases - Lists and Details .....	8q
Searching by Numbers .....	8q
Logging Off and Security .....	8r
Reporting Illegal Aliens .....	8r
Victims of Trafficking .....	8s
Need for Service.....	9
Training.....	11
Nonapprovable Training .....	14
Employment .....	16
Child Protection .....	17
Medical Absence or Incapacity .....	18
Seeking Employment.....	21
Multiple Needs for Service.....	23

---

	<u>Page</u>
Financial Eligibility .....	24
Documenting Special Needs .....	25
Family Size .....	26
Projecting Income .....	28
Countable Income .....	29
Excluded Income .....	32
Self-Employment Income .....	35
Age .....	35
Acceptance or Denial of Application .....	36
<b>Identifying the Provider .....</b>	<b>36</b>
Eligible Providers .....	37
Provider Requirements .....	38
Provider Cooperation with Investigations .....	38
Required Forms .....	39
Licensed or Registered Providers .....	40
Nonregistered Providers .....	41
Criminal and Child Abuse Record Checks .....	44
Adding a Provider to the Purchase of Service (POS) System .....	48
Removing a Provider From the Purchase of Service (POS) System .....	48
<b>Establishing Payment Rate .....</b>	<b>49</b>
Method for Calculating a Half-Day Rate .....	49
Maximum Payment Rates .....	50
Basic Care Rate .....	51
Special Needs Rate .....	51
In-Home Rate .....	52
Days of Absence .....	53
Multiple Children in a Family .....	55
Limits on Payment .....	55
Appeal of Rate Calculation .....	56
<b>Authorizing Services .....</b>	<b>56</b>
Unit of Service .....	57
Fee Schedule .....	60
Nonpayment of Fees .....	62
Inability to Pay Fees .....	62
Child Care Assistance Provider Agreement .....	63
Completing the Agreement .....	64
Assignment of Agreement Number .....	66
Notice of Decision: Child Care Assistance .....	67
Case Plan .....	69
SRS Entry .....	70

	<u>Page</u>
<b>Approving Claims</b> .....	<b>71</b>
Provider Billing Instructions.....	71
Reviewing Claims.....	73
Correcting a Claim .....	73
Rejecting a Claim.....	74
<b>Processing Claims</b> .....	<b>76</b>
Claim Approval.....	77
Provider Data Screen .....	79
Adding a Claim .....	80
POSI-Add Entries.....	81
TOTAL Screen .....	85
Claim Status .....	86
Changing an Invoice With Pended Lines .....	87
Returning a Claim .....	88
Deleting a Claim .....	90
POSS On-Line Messages .....	91
<b>Case Maintenance</b> .....	<b>94</b>
Reporting Changes.....	94
Positive Changes Reported .....	95
Negative Changes Reported .....	96
Changing Providers .....	97
Reviewing Eligibility .....	99
Adverse Service Actions.....	101
Reduction of Services .....	101
Termination of Services .....	102
Notification of Action .....	102
Appeals.....	102a
<b>Cooperation With Investigations</b> .....	<b>102a</b>
Front-End Investigation Procedures .....	102b
Referring a Household to the Investigation Unit.....	102b
Investigation Process .....	102c
Acting on Investigation Findings.....	102d
Application After Failure to Cooperate .....	102d
<b>Overpayment Recovery</b> .....	<b>103</b>
Overpayments Subject to Recovery .....	104
Provider Error .....	104
Client Error .....	105
Agency Error .....	105
Assistance Paid Pending an Appeal Decision.....	105

---

	<u>Page</u>
How to Determine When an Overpayment Occurred.....	106
Overpayment During the Application Process .....	106
Overpayment Due to a Change in Eligibility or Need for Service .....	106
Overpayment Due to Erroneous Provider Reporting.....	107
How to Calculate Overpayments .....	107
Failure to Cooperate.....	107
Client Failure to Cooperate .....	108
Provider Failure to Cooperate .....	109
Notifying DIA of the Overpayment.....	110
Who Is Responsible for Client Error Repayment .....	111
Who Is Responsible for Agency Error Repayment.....	111
DIA Overpayment Recovery Process .....	112
Creating an Overpayment Record.....	112
Making a Fraud Referral.....	113
Issuing a Demand for Repayment .....	113
When Recovery Is Suspended or Waived .....	114
Overpayment Refunds and Payments.....	114
Client Refunds.....	115
Provider Refunds .....	115
Appeal Filed After Client or Provider Refund.....	116
Client or Provider Payments .....	116
Sanctions for Provider Fraud .....	117
Notifying DIA of Changes .....	120
Appeals Process.....	120

## **Overview**

Child Care Assistance (CCA) is funded with state child care and protective funds and the federal Child Care and Development Fund. All requirements, policies, and procedures found in this manual apply, regardless of the funding source.

CCA is provided to people participating in activities approved under the PROMISE JOBS program and people who are recipients of the Family Investment Program (FIP) without regard to CCA eligibility requirements if there is a need for child care services. PROMISE JOBS staff administer CCA for child care needed to participate in PROMISE JOBS activities.

CCA may be provided to the children of income-eligible parents who are absent for a portion of the day due to employment or participation in academic or vocational training or PROMISE JOBS activities. Assistance may also be available for a limited period of time when:

- ◆ A parent is looking for employment, or
- ◆ The parent who normally cares for the child is:
  - Absent from the home due to hospitalization or outpatient treatment for physical or mental illness, or
  - Present in the home but unable to care for children, as verified by a physician.

Child care services for a child with protective needs are provided without regard to income. To receive protective child care services, the family must meet specific requirements, and child care must be identified in the child's case plan as a necessary service.

Child care may be provided in a licensed child care center, a registered child development home, a nonregistered child care home, the child's own home, or by a child care program which is exempt from licensing or registration.

## **Legal Basis**

Iowa Code Chapter 217 governs the establishment, purpose, and general duties of the Department of Human Services. The authority of the Department to regulate child care providers is found in Iowa Code Chapter 237A.

Departmental rules concerning Child Care Assistance are found in 441 Iowa Administrative Code Chapter 170, "Child Care Services."

## **Chapter Organization**

This chapter provides direction to workers about:

- ◆ Determining eligibility, including taking applications and, when funds are determined insufficient, assessing applications for placement on waiting lists
- ◆ Identifying the eligible child care provider
- ◆ Establishing payment rates
- ◆ Authorizing services, including completing the *Child Care Assistance Provider Agreement*, form 470-3871, issuing a *Notice of Decision: Child Care Assistance*, form 470-3915, and opening the SRS case
- ◆ Completing and approving provider claims for payment
- ◆ Reviewing eligibility
- ◆ Taking adverse service actions
- ◆ Overpayment recovery

Information on child care center licensing is found in [12-E](#) and [12-E-Appendix](#).  
Information on child development home registration is found in [12-F](#) and [12-F-Appendix](#).

## **Determining Eligibility**

**Legal reference:** 441 IAC 170.2(237A,239B)

Eligibility policies and procedures are organized into the following sections:

- ◆ [Application, including application to be placed on a waiting list](#)
- ◆ [Residency](#)
- ◆ [Need for service](#)
- ◆ [Financial eligibility](#)
- ◆ [Age](#)
- ◆ [Acceptance or denial of the application](#)

## **Application**

**Legal reference:** 441 IAC 170.3(237A,239B)

Families apply for Child Care Assistance (CCA) at the Department's local office in the county where the family resides. There are two application forms a person can use to apply for CCA:

- ◆ *Child Care Assistance Application*, 470-3624 or 470-3624(S), or
- ◆ *Health and Financial Support Application*, 470-0462 or 470-0466 (Spanish).

To be considered valid, the application must contain a legible name and address and must be signed.

The effective date of application is the date a signed and dated application is received and date-stamped in a local office. When an application is delivered to a closed local office, consider it received on the first day that is not a weekend or state holiday following the day that the local office was last open.

Accept applications made by:

- ◆ The applicant,
- ◆ The applicant's authorized representative, or
- ◆ Someone acting responsibly for the applicant, when the applicant is incompetent or incapacitated.

EXCEPTIONS: The following do not have to complete a child care application:

- ◆ Parents receiving court-ordered services.
- ◆ Families receiving protective child care services.
- ◆ Participants in PROMISE JOBS-approved activities.
- ◆ Families receiving FIP.

These families do not need to complete a child care application. These families are eligible for CCA so long as their FIP or PROMISE JOBS eligibility continues, their need for protective care continues, or the court order remains in place. The start date of services is the date that child care service begins.

When a family applies for CCA, provide the applicant with the brochure *Child Care Assistance*, Comm. 62 or Comm. 62(S).



A household might not check all the programs on the *Health and Financial Support Application* for which it wants to apply. If the applicant asks to apply for CCA during an interview for another program, or before you take action on the application, allow the applicant to check the applicable box.

The application date for CCA is the same date as the application for the programs that were initially checked on the application form.

Exception: When the applicant files a different application form, such as form 470-0306 or 470-0307, *Application for Food Assistance*, and during the interview decides to apply for CCA, the applicant must file either a *Health and Financial Support Application* or a *Child Care Assistance Application* to be considered for CCA. The date you get the *Health and Financial Support Application* or the *Child Care Assistance Application* is the date of application for CCA.

Income information reported on the application must be supported by verification. To verify income, request supporting documentation, such as pay stubs, employer statements, social security checks, and child support payments. Document the income in the case file. EXCEPTION: Provide child care services to the following people without regard to income:

- ◆ People needing protective child care services.
- ◆ People who are participating in activities approved under the PROMISE JOBS program.
- ◆ People who are recipients of the Family Investment Program (FIP), or whose earned income was taken into account in determining the needs of the FIP recipient.

NOTE: Eligibility for CCA continues for a FIP family who does not get a grant because the grant amount is under \$10.

Families already receiving CCA are not required to reapply when the family moves to a different county. Transfer the case file to the county where the family now resides.

NOTE: If FIP or PROMISE JOBS eligibility ends, the family must apply for CCA using the income guidelines found at [Financial Eligibility](#). However, if the family was receiving CCA before losing FIP or PROMISE JOBS eligibility, you will redetermine eligibility for the family using form 470-4377(M) or 470-4377(S), *Child Care Assistance Review*.

When a family is determined eligible for CCA, the date the Department's local office stamped on the application is the start date of benefits.

The following sections give more information on:

- ◆ [Voter registration procedures](#)
- ◆ [Priority for child care services](#)
- ◆ [Placement on a waiting list when Child Care Assistance is not available](#)
- ◆ [Administration of Child Care Assistance waiting lists](#)

### **Voter Registration Procedures**

**Legal reference:** 721 IAC Chapter 23

The Department is responsible for helping clients complete voter registration forms, and for mailing the forms to the county election office. (The actual voter registration occurs at the election office.) Issue voter registration forms with all applications. See [6-Appendix](#) for a copy of the voter registration form.

NOTE: For Child Care Assistance (CCA) administered through the PROMISE JOBS office, this step is not necessary, as voter registration has already been offered as part of the FIP application process.

At each interview, ask if the client wants to register to vote. If the client has not filled out the voter registration form before the interview, have the client complete the form at the interview.

If the client wants to register, offer to help the client complete the form. Be careful when helping the client that you do not influence the client's voter registration options in any way. Review the client's rights as listed on the form.

If the client chooses not to check yes or no, leave the section blank and consider the client has chosen not to register to vote.

If the client chooses not to sign the form, print the client's name and the date where indicated, and initial the form.

Tear off the voter registration information section and give it to the client. Keep the declination part of the form. Follow your office procedures for handling the form after completion.

For a phone interview, ask the questions and send the form to the client for signature. No follow-up is necessary after the form has been mailed to the client. If the form is returned, follow your office procedures for handling it.

If you are mailing an application packet to a client, include a voter registration form in the packet. No follow-up is necessary after the form has been mailed to the client. If the form is returned, follow your local office procedures for handling the form.

### **Priority for Service**

**Legal reference:** 441 IAC 170.2(3)

The Department has the authority to implement waiting lists for Child Care Assistance (CCA) when funds are insufficient to serve additional families beyond those already receiving services and those requiring protective child care. Exceptions to placement on the waiting list are as follows:

- ◆ Families who are eligible for protective child care services.
- ◆ Recipients of FIP or people whose earned income was taken into account in determining the needs of FIP recipients.
- ◆ Participants in approved PROMISE JOBS activities.
- ◆ Families receiving CCA that have a change in circumstances that result in the need for care for another child. This includes a newborn child. The new child is approved for assistance when the family reports the change.

People covered by these exceptions are always eligible for CCA, notwithstanding the lack of funding.

When there is a waiting list, the priority groups as established in state law define which families receive services first. The amount of funds available determines the number of priority groups from whom applications will be taken. As funds become available, families are approved for services in the following order of prioritization:

1. a. Families who are at or below 100 percent of the federal poverty level whose members are employed at least 28 hours per week, and
- b. Parents with a family income at or below 100 percent of the federal poverty level who are under the age of 21 and are participating in an educational program leading to a high school diploma or equivalent.
2. Parents with a family income at or below 100 percent of the federal poverty level who are under the age of 21 and are participating at a satisfactory level in an approved training program or in an education program.

3. Families with an income of more than 100 percent but not more than 145 percent of the federal poverty level whose members are employed at least 28 hours per week.
4. Families with an income at or below 200 percent of the federal poverty level whose members are employed at least 28 hours per week or are participating in an approved training or education program and who have a special needs child as a member of the family. (See [Financial Eligibility](#) for the definition of a child with special needs.)

NOTE: When the Department determines that sufficient funds are available to serve all families that are eligible, neither the waiting list nor the priority group requirements apply.

#### **Application for Placement on a Waiting List**

**Legal reference:** 441 IAC 170.3(4)

When funds are insufficient to serve all families needing services, the Department's central office will direct local offices to post a notice in a highly visible location in the waiting area that:

- ◆ Informs families that funds are not available for Child Care Assistance (CCA).
- ◆ Describes the requirements that a family must meet to apply to go on a waiting list.

Accept applications from families who meet the specific requirements of the priority group for which applications are being taken. Also accept applications from families that do not appear to meet the priority group requirements.

NOTE: Participants in approved PROMISE JOBS activities and recipients of FIP, people whose earned income was taken into account in determining the needs of FIP recipients, and families that receive a state adoption subsidy for a child are not subject to the posting of lack of funding or waiting lists.

Assess eligibility based on the requirements of the priority group at the time of application to be placed on a waiting list.

Use form 470-3915, *Notice of Decision: Child Care Assistance*, to notify the applicant that assistance is denied because funding is not available. Under explanation of action, inform the applicant whether the family meets the criteria in the priority group and whether the family will be placed on a waiting list.

If the family meets the criteria, inform the family on the *Notice of Decision: Child Care Assistance* that they will be notified when funding is available.

When funds are available to serve families on the waiting list, notify families to reapply. Assess the new application to determine that the family still meets the priority group requirements. If so, approve the family for services.

The Department's central office determines that child care funds are insufficient to serve new applicants. The local office posts a notice that applications to be placed on a waiting list are being taken from families who meet the requirements in Priority Group 1.

The J family is a five-member, two-parent household whose combined income is less than 100 percent of the federal poverty guidelines. Mrs. J works an average of 30 hours per week during the month at minimum wage. Mr. J works 32 hours a week at minimum wage. The Js apply for Child Care Assistance for their three children and are placed on the waiting list.

Four months later, funds are determined available to serve families who meet the requirements in the first priority group. The county office notifies families on the waiting list to reapply if they still need services. The J family reapplies. Although Mrs. J's work schedule has become more stable, her work hours have been reduced. She is now working only 20 hours a week.

The Js no longer meet the requirement of Priority Group 1 that both parents in a two-parent household be employed at least 28 hours per week. The application cannot be approved at this time.

Once approved, the family is not required to meet the priority group requirements at the next scheduled review or redetermination. Eligibility continues as long as the requirements for need for service, financial eligibility, and age of the child are met. (See [Determining Eligibility](#).)

### **Administration of Waiting Lists**

**Legal reference:** 441 IAC 170.3(4)

Each service area is responsible for maintaining a service-area-wide waiting list. The Child Care Assistance (CCA) worker or the worker's designee must contact the office designated to maintain the waiting list by the end of the second workday after the application is received.

The designated staff must enter the family on the waiting list by the end of the third workday after the application is received. Enter each family on the waiting list according to the eligibility priority and in the sequence of when the application was date-stamped in the local office.

If more than one application is received at one time in the same priority group, enter the family on the list on the basis of the day of the month of the birthday of the oldest eligible child, with the lowest number being first on the list. Any subsequent tie is decided by the month of birth, January being month one and the lowest number.

### **Residency**

**Legal reference:** 441 IAC 170.2(2)"c"

A person must live in the state of Iowa to be eligible for Child Care Assistance. Living in the state includes people in Iowa for a temporary period, other than for the purpose of vacation.

### **Alien Status**

**Legal reference:** Public Law 104-193, 441 IAC 170.2(2)"d"

This section contains policies unique to aliens that differ from standard Child Care Assistance (CCA) policies. Use this section in conjunction with the rest of the chapter to determine CCA eligibility for alien children. Special treatment is required to determine CCA eligibility for an alien's circumstances:

- ◆ Applicants must provide documentation of the alien status of each child for whom they are requesting CCA. Only alien children with an eligible status can receive CCA. Eligible alien statuses are listed under [Alien Statuses](#).
- ◆ You must verify the immigration status of alien children who appear to be eligible.

The following sections address:

- ◆ [Application processing](#)
- ◆ [Declaration of citizenship or alienage](#)
- ◆ [Alien statuses](#)
- ◆ [Alien status verification requirements](#)
- ◆ [Reporting illegal aliens](#)
- ◆ [Victims of trafficking](#)

### **Application Processing**

**Legal reference:** 441 IAC 170.2(2)"d"

Parents must provide documentation of the alien status of each child for whom CCA is being requested. If a parent does not have any documentation for a child, refer the person to the U.S. Citizenship and Immigration Services (USCIS) Bureau of the Department of Homeland Security (formerly INS, the Immigration and Naturalization Service) to obtain proof of status.

Instruct the person in writing to provide the necessary documentation within ten days. Extend the ten-day period as appropriate. Pend the application as is reasonable under the circumstances. Depending on how much time is needed to obtain the documentation, make monthly contacts with the applicant to check on the status of the documentation and to determine that the applicant is making continued efforts to obtain the documentation.

For example, you could ask for a copy of the form the applicant may have filed with the USCIS, or a copy of any correspondence that would indicate the applicant has contacted that agency and is working on obtaining the documentation.

Upon receipt of the documentation, approve CCA retroactive to the date of the application, provided the child is otherwise eligible. Include or exclude the alien child's needs as indicated by the alien status documentation that you received.

If the parent does not provide necessary documentation of a child's alien status as requested, deny the ineligible alien child and process the application for any remaining children. If no other children exist, deny the application.

### **Declaration of Citizenship or Alienage**

**Legal reference:** 441 IAC 170.2(2)"d"

As a condition for eligibility, all applicants and participants must declare their citizenship or alien status in writing.

People born in Puerto Rico, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands are United States citizens. People born abroad with United States citizen parents are generally, but not always, United States Citizens.

For CCA purposes, also consider a child who is a noncitizen United States national the same as a citizen. A "noncitizen United States national" is a child who is born in American Samoa or Swain's Island.

People who are not citizens or nationals can become citizens through a process called "naturalization."

NOTE: Persons from the Federated States of Micronesia or the Marshall Islands are not United States citizens or nationals.

### **Evidence of United States Citizenship**

The following are examples of acceptable documentation of United States citizenship:

- ◆ Birth certificate.
- ◆ Religious record of birth recorded in the United States or its territories within three months of birth that indicates a United States place of birth. The document must show either the date of birth or the person's age when the record was established.
- ◆ United States passport (excludes limited passports that are issued for periods of less than five years).
- ◆ *Report of Birth Abroad of a Citizen of the U.S.* (USCIS Form FS-240).
- ◆ *Certification of Birth* (USCIS Form FS-545).
- ◆ *U.S. Citizen ID Card* (USCIS Form I-197).
- ◆ *Naturalization Certificate* (USCIS Forms N-550 or N-570).
- ◆ *Certificate of Citizenship* (USCIS Forms N-560 or N-561).



- ◆ *Northern Mariana Identification Card* (issued by the USCIS to a collectively naturalized citizen of the United States who was born in the Northern Mariana Islands before November 3, 1986).
- ◆ Contemporaneous hospital record of birth in the United States, Puerto Rico, Guam, the Virgin Islands, American Samoa, Swain's Island, or the Northern Mariana Islands (unless the person was born to foreign diplomats residing in such a jurisdiction).

### **Alien Statuses**

**Legal reference:** Section 121 of the Immigration Reform and Control Act of 1986 (Public Law 99-603); Public Law 104-193; 441 IAC 170.2(2)"d"

Legal alien children **may** be eligible or ineligible for CCA depending on their immigration status. Illegal or undocumented alien children are **never** eligible for CCA.

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1997 divides aliens into two categories, "qualified" and "nonqualified." Not all qualified alien children are eligible for CCA. "Qualified" aliens are those who are:

- ◆ Lawfully admitted for permanent residence
- ◆ Refugees
- ◆ Asylees
- ◆ Amerasian immigrants
- ◆ Cuban/Haitian entrants
- ◆ Paroled into the U.S. for at least one year
- ◆ Aliens whose deportation is withheld
- ◆ Granted conditional entry into the U.S.
- ◆ Battered aliens
- ◆ Victims of trafficking

The qualified aliens described under [Aliens Exempt From Five-Year Bar](#) are eligible for CCA from the date they obtained that alien status.

The qualified aliens described under [Aliens Subject to Five-Year Bar](#) are not eligible for CCA for five years after their date of entry into the United States. The five-year period of ineligibility begins on the date of the child's entry with one of the listed statuses. If the child entered with a status that is not listed, the five-year period begins with the date a child obtains a listed status.

Nonqualified aliens are all of those whose classification is not specifically listed under either [Aliens Exempt From Five-Year Bar](#) or [Aliens Subject to Five-Year Bar](#). Nonqualified alien children are not eligible for CCA at any time, regardless of the date they entered the United States. See [Ineligible Aliens](#) for more information.

### **Aliens Exempt From Five-Year Bar**

**Legal reference:** 441 IAC 170.2(2)“d”

Alien children with one of the following statuses are eligible for CCA from the date they obtained the status:

- ◆ Refugees admitted under section 207 of the Immigration and Nationality Act (INA).
- ◆ Aliens granted asylum under section 208 of the INA.
- ◆ Aliens whose deportation or removal is withheld under section 243(h) or section 241(b)(3) of the INA.
- ◆ Cuban or Haitian entrants under section 501(e) of the Refugee Education Assistance Act of 1980.
- ◆ Amerasian immigrants.
- ◆ Victims of trafficking, for the period for which they are certified by the Office of Refugee Resettlement. See [Victims of Trafficking](#) for specific instructions.
- ◆ Aliens lawfully admitted for permanent residence who are:
  - Unmarried dependent children of active-duty personnel of the United States armed forces.  
“Active duty” excludes temporary full-time duty for training purposes performed by members of the National Guard or reserves. “Child” is defined at [Age](#).
  - Unmarried dependent children of veterans honorably discharged for reasons other than alienage.
- ◆ Aliens in the following statuses who entered the United States before August 22, 1996.
  - Aliens lawfully admitted for permanent residency.
  - Aliens paroled into the United States under section 212(d)(5) of the INA for a period of at least one year.

### **Aliens Subject to Five-Year Bar**

**Legal reference:** 441 IAC 170.2(2) "d"

Alien children listed in this section who enter the United States on or after August 22, 1996, are barred from Child Care Assistance (CCA) eligibility for five years.

The five-year period begins on the date the child enters the United States with one of the following statuses. If the child originally entered the United States with a status that is not listed, the five years begins with the date the child first obtains a qualified alien status.

- ◆ Aliens lawfully admitted for permanent residency.
- ◆ Aliens paroled into the United States under section 212(d)(5) of the Immigration and Nationality Act (INA) for a period of at least one year.
- ◆ Battered aliens.

EXCEPTIONS: See [Aliens Exempt From Five-Year Bar](#). The five-year bar does not apply to aliens with one of the statuses listed in this section that are lawfully residing in the United States and are:

- ◆ Aliens who entered the United States before August 22, 1996.
- ◆ Unmarried dependent children of active-duty personnel of the United States armed forces.
- ◆ Unmarried dependent children of veterans honorably discharged for reasons other than alienage.

Since the ending date of the five-year period is known to you, the family is not required to report the date or request that the excluded alien child be added to the ongoing case.

You will need to track the expiration of the five-year bar. When the five-year period expires, contact the family to determine if care is needed for that child. If the family requests care for the child, you will need to determine if the child is eligible for CCA.

### **Battered Aliens**

Generally, when an alien is the spouse or child of a United States citizen or a lawful permanent resident, the citizen or resident must file USCIS form I-130, *Petition for Alien Relative*, to allow these family members to remain in the United States. If the petition is not filed (or is withdrawn), the alien has no lawful immigrant status and may face being deported.

In abusive situations, control over the alien's immigration status strengthens the batterer's hold on the victims. For example, the batterer may threaten to stop the visa process if the abused spouse or child attempts to leave the common home or reports the abuse to authorities.

Since the 1994 enactment of the Violence Against Women Act, a battered alien may self-petition for lawful permanent residency by USCIS form I-360, *Petition for Amerasian, Widow(er) or Special Immigrant*. The battered person may be the alien or the child or parent of the alien. The petition can be filed without the cooperation or knowledge of the abuser.

See [Alien Documentation Chart](#) later in this chapter for more information on verification of battered alien status.

NOTE: Because of the abusive relationship, these aliens may not have copies of documents they filed themselves or that were filed on their behalf. Refer applicants who do not have any documentation or who are not certain that a petition for lawful permanent residency has been filed on their behalf to the USCIS forms request line (1-800-870-3676).

These families may already be working with a domestic violence service provider. If not, refer them to the National Domestic Violence Hotline (1-800-799-7233) or to the local domestic violence service provider. The domestic violence service provider may be able to assist the applicant in obtaining necessary documentation of alien status without jeopardizing the alien's safety or immigration efforts.

A battered child may be CCA eligible if the child entered the U.S. **before** August 22, 1996. If the date of entry is **on or after** August 22, 1996, the battered child is subject to the five-year bar for CCA purposes.

NOTE: Battered alien children who are receiving state-funded FIP must still meet alien requirements for CCA.

### **Ineligible Aliens**

Alien children whose alien status is not specifically listed under [Aliens Subject to Five-Year Bar](#) or [Aliens Exempt From Five-Year Bar](#) are not eligible for CCA **regardless** of the date they entered the United States.

Examples of immigration statuses held by alien children who are ineligible for CCA include:

- ◆ Illegal or undocumented aliens. These aliens either were never legally admitted to the United States for any period, or they were admitted for a limited period and did not leave the United States when the period expired.
- ◆ Aliens paroled into the United States under section 212(d)(5) of the INA **for less than one year**.
- ◆ Aliens with protected status (such as Permanently Residing Under Color of Law (PRUCOLs)).
- ◆ Temporary residents (see "[legal nonimmigrants](#)").
- ◆ Aliens in deferred status.
- ◆ Legal nonimmigrants. These include:
  - Visitors for business or pleasure, including exchange visitors
  - Aliens in travel status while traveling through the United States
  - Foreign students
  - Children of treaty traders and investors
  - Children of foreign diplomats on official business
  - Children of international organization personnel
  - Children of members of foreign press, radio, film or other information media

NOTE: Some of these aliens may possess valid employment authorization documents, but that does not alter their ineligibility for CCA.

### **Alien Status Verification Requirements**

**Legal reference:** Section 121 of the Immigration Reform and Control Act of 1986 (Public Law 99-603); Public Law 104-193; 441 IAC 9.10(4)"d"; 441 IAC 170.2(2)"d"

The family must provide documentation of alien status for the alien children for whom CCA is being requested for before you approve a CCA application or add an alien child to an existing CCA case.

The family must also provide verification of the entry or admission date from which their status started for alien children listed under [Aliens Subject to Five-Year Bar](#) or under [Aliens Exempt From Five-Year Bar](#).

Do not verify an alien child's documentation with USCIS if the documentation, or lack of documentation, clearly shows the alien child has an ineligible status. In this situation, deny CCA for the child (if CCA is being requested for that child) and determine eligibility for the remaining children.

Refer to [Alien Documentation Chart](#) to determine if the child is eligible for CCA. The chart lists:

- ◆ The types of documentation that can be used to verify alien status.
- ◆ Additional verification that certain aliens must provide to prove they are eligible for CCA (e.g., the date they were admitted to the United States, or the date a particular alien status was granted or adjusted).

### **Alien Documentation Chart**

<b>Alien Status</b>	<b>Acceptable Documentation of Alien Status</b>	<b>CCA Status</b>
Lawfully admitted for permanent residency	<ul style="list-style-type: none"><li>◆ Form I-551, <i>Permanent Resident Card</i>. *</li><li>◆ Unexpired "Temporary I-551" stamp in a foreign passport.</li><li>◆ Form I-94, <i>Arrival/Departure Record</i>, with a temporary I-551 stamp.</li></ul>	Barred for five years if entered U.S. <b>on or after</b> 8/22/96  Eligible if entered U.S. <b>before</b> 8/22/96

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Refugees	<ul style="list-style-type: none"> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, showing entry under section 207 of the INA.</li> <li>◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(3)."</li> <li>◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A3."</li> <li>◆ Form I-571, <i>Refugee Travel Document</i>.</li> </ul> <p>NOTE: Refugees who have adjusted to lawful permanent resident status are still considered refugees for CCA eligibility. If a refugee has a form I-551, <i>Permanent Resident Card</i>,* it will be annotated RE-6, RE-7, RE-8, RE-9, or R8-6.</p>	Eligible regardless of U.S. entry date
Asylees	<ul style="list-style-type: none"> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, noting admittance under section 208 of the INA.</li> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, annotated AS-1, AS-2, or AS-3.</li> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, with Visa 92 (or V-92).</li> <li>◆ Order of an immigration judge granting asylum.</li> <li>◆ Written decision letter from the Board of Immigration Appeals.</li> <li>◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(5)."</li> <li>◆ Form I-730, <i>Approval Letter</i>.</li> <li>◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A5."</li> </ul>	Eligible as of date asylum is granted

<b>Alien Status</b>	<b>Acceptable Documentation of Alien Status</b>	<b>CCA Status</b>
Amerasian immigrants	<ul style="list-style-type: none"> <li>◆ Form I-551, <i>Permanent Resident Card</i>,* annotated AM6, AM7, or AM8.</li> <li>◆ Unexpired temporary I-551 stamp in a foreign passport annotated AM1, AM2, or AM3.</li> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, annotated AM1, AM2, or AM3.</li> </ul>	Eligible regardless of U.S. entry date
Cuban and Haitian entrants	<ul style="list-style-type: none"> <li>◆ Form I-551, <i>Permanent Resident Card</i>,* annotated CU6, CU7, CH6, or CNP.</li> <li>◆ Unexpired temporary I-551 stamp in a foreign passport annotated CU6, CU7, CH6, or CNP.</li> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, annotated CU6 or CU7, or with a stamp showing parole as "Cuban/Haitian Entrant" under section 212(d)(5) of the INA.</li> </ul>	Eligible regardless of U.S. entry date
Paroled into U.S. for at least one year	<p>Proof of admission or entry date <b>and</b> Form I-94, <i>Arrival/Departure Record</i>, showing admission for at least one year under section 212(d)(5) of the INA.</p> <p>NOTE: The applicant cannot use admission periods for less than one year to meet the one-year requirement.</p>	<p>Barred for five years if entered U.S. <b>on or after</b> 8/22/96</p> <p>Eligible if entered U.S. <b>before</b> 8/22/96</p>



<b>Alien Status</b>	<b>Acceptable Documentation of Alien Status</b>	<b>CCA Status</b>
Deportation or removal withheld	<ul style="list-style-type: none"> <li>◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(10)."</li> <li>◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A10."</li> <li>◆ Order of an immigration judge showing deportation withheld under section 243(h) or removal withheld under section 241(b)(3) of the INA and date of grant.</li> </ul>	Eligible regardless of U.S. entry date
Conditional entrants	<p>Proof of admission or entry date <b>and</b> one of the following documents:</p> <ul style="list-style-type: none"> <li>◆ Form I-94, <i>Arrival/Departure Record</i>, with stamp showing admission under section 203(a)(7) of the INA.</li> <li>◆ Form I-688B, <i>Employment Authorization Card</i>, annotated "274a.12(a)(3)."</li> <li>◆ Form I-766, <i>Employment Authorization Document</i>, annotated "A3."</li> </ul>	<p>Barred for five years if entered U.S. <b>on or after</b> 8/22/96</p> <p>Eligible if entered U.S. <b>before</b> 8/22/96</p>
Battered aliens	<p>Proof of admission of entry date <b>and</b> one of the following documents:</p> <ul style="list-style-type: none"> <li>◆ An I-360 or I-130 petition with proof of filing (a file-stamped copy of the petition, an I-797 or I-797C, or another document demonstrating filing, such as a signed certified return receipt or cash register or computer-generated receipt).</li> <li>◆ Form I-797 or battered aliens I-797C indicating approval or prima facie validity of an I-360 petition.</li> <li>◆ Form I-797 or I-797C indicating filing or approval of an I-130 petition.</li> </ul>	<p>Barred for five years if entered U.S. <b>on or after</b> 8/22/96</p> <p>Eligible if entered U.S. <b>before</b> 8/22/96</p>

Alien Status	Acceptable Documentation of Alien Status	CCA Status
Battered aliens (Cont.)	<ul style="list-style-type: none"> <li>◆ Order or document from the Immigration Court or Board of Immigration Appeals granting suspension of deportation under INA section 244(a)(3), or cancellation of removal under INA section 204A(b)(2).</li> <li>◆ Application for cancellation of removal (form EOIR 42B) or suspension of deportation (form EOIR 40) with proof of filing (a file-stamped copy of the application or another document demonstrating filing, such as a signed certified return receipt or cash register or computer-generated receipt).</li> <li>◆ A document from the Immigration Court or Board of Immigration Appeals indicating that the applicant has established a prima facie case for: <ul style="list-style-type: none"> <li>• Suspension of deportation under INA section 244(a)(3) or</li> <li>• Cancellation of removal under INA section 204A(b)(2).</li> </ul> </li> </ul>	<p>Barred for five years if entered U.S. <b>on or after</b> 8/22/96</p> <p>Eligible if entered U.S. <b>before</b> 8/22/96</p>
Veterans or active duty military personnel, spouse, or dependent (lawfully residing in the U.S. under any status above)	<ul style="list-style-type: none"> <li>◆ Active duty: Original or notarized copy of the current orders showing the person is on full-time duty in the U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard, or a DD form 2 military ID card (active duty papers).</li> <li>◆ Honorably discharged veteran: Original or notarized copy of form DD214 (discharge papers).</li> </ul> <p>NOTE: This verification is sufficient when the veteran is a U.S. citizen, and the spouse or unmarried dependent children are aliens. It is also sufficient for the surviving spouse and unmarried dependent children of a deceased veteran.</p>	Eligible regardless of U.S. entry date

<b>Alien Status</b>	<b>Acceptable Documentation of Alien Status</b>	<b>CCA Status</b>
Victim of trafficking	HHS Office of Refugee Resettlement certification letter	Eligible for the period certified
All other aliens (legal or illegal)	Documents that indicate the person's alien status is one <b>other than</b> those specifically listed above.	Ineligible regardless of U.S. entry date

\* In December 1997, the name of form I-551 changed from "*Alien Registration Receipt Card*" to "*Permanent Resident Card*."

Contact the U.S. Citizenship and Immigration Services (USCIS) through Systematic Alien Verification for Entitlements (SAVE) if any of the following situations occur:

- ◆ An alien presents form I-688B, I-766 (*Employment Authorization Documents*), or I-571 (*Refugee Travel Document*) but does not have form I-94 (*Arrival-Departure Record*).
- ◆ An alien has a grant letter or court order, but the information presented does not include the date the status was granted.
- ◆ You cannot identify the annotation codes on the document.
- ◆ An alien has a receipt card saying the alien has applied for a replacement document.

Do not delay, deny, or cancel the alien child's eligibility for benefits while waiting for the USCIS to provide secondary verification.

For applications, assume the child is eligible and, if otherwise eligible include the child until the immigration verification is received.

If the verification received from USCIS indicates that the child is not an eligible alien, remove the child from CCA, subject to timely notice. Recoup excess CCA payments issued for that child during the interim.

### **Using SAVE (Systematic Alien Verification for Entitlements)**

**Legal reference:** Immigration Reform and Control Act of 1986 (IRCA), Section 121, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), and by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) and the Balanced Budget Act of 1997 (BBA)

When an alien's documentation does not have the necessary coding to show the alien's status, or the entry or admission date is missing, or the documentation is questionable, obtain verification of the alien's status through SAVE's web site: <https://www.vis-dhs.com/webone/>

Do not use SAVE when the parent claims a child is undocumented or provides acceptable documentation of an eligible or ineligible status.

You are a "General User 1." This allows you to:

- ◆ Perform benefit eligibility verifications.
- ◆ Review open and closed cases.
- ◆ Continue working open cases.
- ◆ Administer your own account (i.e., change your password and update your name, phone number, e-mail address).

### **User ID and Password**

Your user ID is your DSS number with a zero at the end. Example: DSSX1230.

Your password is case sensitive. It must include between 8 and 14 characters and must include at least 3 of the 4 following password characteristics:

- ◆ Uppercase letter
- ◆ Lowercase letter
- ◆ Number
- ◆ Special character from the following: ! @ \$ % \* ( ) < > ? : ; { }  
+ - ~

Your entries must be **exact** each time. You have three attempts to log on with an incorrect password.

Your password expires every 45 days. The system will prompt you before 45 days for you to change your password if you are in the system. The system prevents the re-use of your previous six passwords.

If you are locked out, contact SPIRS for assistance.

### **Initial Verification**

Select INITIAL VERIFICATION from the CASE ADMINISTRATION menu.

Enter the alien number.

- ◆ Do not include the letter "A."
- ◆ Add leading zeros to make the number nine digits.

Select the benefits for which the applicant is applying. (To select more than one benefit, hold down the CONTROL or SHIFT key after selecting the first benefit, while clicking on additional benefits.)

Select Submit INITIAL VERIFICATION.

If the immigration status is verified, print the information by selecting PRINT CASE DETAILS and close the case by selecting COMPLETE AND CLOSE CASE. This ends the verification process.

### **Additional Verification**

If the immigration status is not verified, you will be instructed to institute additional verification. Provide as much information as possible. A field marked by a red asterisk is a required field. Then select SUBMIT ADDITIONAL VERIFICATION.

You will usually receive additional verification within three to five work days. Track your case to check for a response. Return to the system to check the status by selecting VIEW CASE and CHECKING CASE STATUS. Let SPIRS know if additional verification takes longer than five days.

You can request additional verification later. Select a case from the case display. Select REQUEST ADDITIONAL VERIFICATION on the CASE DETAILS page. Complete the ENTER ADDITIONAL VERIFICATION DATA section.

NOTE: If an applicant has only an I-94 number, you will need to use the ADDITIONAL VERIFICATION option immediately. This option is located on the CASE ADMINISTRATION menu. It allows you to request further research on the case without first performing an initial verification.

The USCIS may request you submit form G-845(S) and the *Supplement* along with copies of the alien's documentation. The instructions for using this form are found in [6-Appendix](#). Send the forms to:

Status Verification Unit  
U.S. Citizenship and Immigration Services  
U.S. Department of Homeland Security  
8101 North Stemmons Freeway  
Dallas, TX 75247

### **Viewing Cases - Lists and Details**

You may view a specific case as follows:

1. Select VIEW CASES from the CASE ADMINISTRATION menu.
2. Select the search criteria.
3. Select DISPLAY CASE SUMMARY LIST.
4. Select the verification number for the case.

### **Searching by Numbers**

You may search for a case by the following fields:

- ◆ Verification number. The verification number is system generated. The first 13 digits contain the year (yyyy), Julian date (ddd), hour (hh), minute (mm), and seconds (ss). The last two digits help to identify the case.
- ◆ Alien number.
- ◆ I-94 number.
- ◆ User case number.

It is important that you select the correct status of the case from the menu in order for the system to locate the case.

### **Logging Off and Security**

The proper way to log off is to click on the EXIT link. NOTE: If you exit improperly, the next time you log on you will receive the following message:

THE LOGON ID DSSX1230 IS ALREADY LOGGED ON. CLICKING THE CONTINUE BUTTON WILL START A NEW SESSION AND CAUSE THE LOSS OF ANY UNSAVED DATA.

The “unsaved data” is any data that you entered into a screen during your previous session that you did not “submit” to the system.

You will automatically be logged off if you have not interacted with the system for 15 minutes.

### **Reporting Illegal Aliens**

At the time of interview, explain alien eligibility criteria and verification procedures to households that include non-citizen members. Check the status only of household members who are applying for assistance and claim to have an eligible status for the program.

Based on federal guidance, the Department is to report to the USCIS that an alien is not lawfully present in the U.S. only if we “know” that the alien is not lawfully present. The Department “knows” this only if:

- ◆ The alien applies to receive benefits, **and**
- ◆ The alien claims to have an eligible status for the program, **and**
- ◆ In making a formal determination of eligibility, we receive from USCIS verification of illegal status, such as a *Final Order of Deportation*.

NOTE: A SAVE response shows no service record on a person or shows an immigration status making the person ineligible for a benefit is not a finding of fact or conclusion of law that the person is not lawfully present.

Situations in which the criteria are met for reporting an illegal alien are extremely rare. For this reason, contact the SPIRS Help Desk for assistance if you believe it may be appropriate to report an illegal alien.

### **Victims of Trafficking**

**Legal reference:** Public Law 106-386

Alien children who are certified as “victims of trafficking” by the Department of Health and Human Services’ Office of Refugee Resettlement (HHS ORR) are “eligible aliens” for CCA benefits. Alien children who are victims of trafficking have an eligible status for CCA benefits for the period for which ORR certifies them.

The HHS ORR certifies a victim of trafficking for eight-month periods. The child’s certification date is stated in the body of the HHS ORR letter.

When a victim of trafficking applies for benefits, follow normal procedures for determining eligibility for CCA except:

- ◆ Accept the original HHS ORR letter for children under 18 years old in place of USCIS documentation.

Although trafficking victims are not required to provide any documentation of their immigration status for benefit purposes, they may have various documents, such as form I-94, *Arrival/Departure Card*, with a stamp showing parole under section 212(d)(5) of the INA, an employment authorization document, etc. The documentation may serve to verify identity.

- ◆ Contact the trafficking verification line at (866) 401-5510 to confirm the validity of the certification letter for children under 18 years old and to notify the ORR of the benefits for which the person has applied. NOTE: Do not contact SAVE concerning victims of trafficking, because SAVE will not have this information.
- ◆ Record the expiration date of the letter for children by manually tracking this, and redetermine eligibility at that time. The expiration date of the HHS ORR certification period is specified in the child’s letter.

A recertification letter issued to the victim of trafficking by the ORR is required for the child to receive CCA benefits beyond the eight-month ORR certification period.

Cancel assistance at the end of the specified ORR certification period unless the household has received, and provides, a follow-up letter as stated above, or the household otherwise meets alien eligibility requirements. You must give timely notice.



Victims of trafficking may not yet have standard identity documents, such as driver's licenses. Do not automatically deny applications for people who cannot confirm their identity. Call the trafficking verification line at (866) 401-5510 for assistance.

Some victims of trafficking may not yet have or may not be able to get a social security number for work purposes. Assist these persons in obtaining non-work social security numbers.

If you encounter a child you believe may meet the definition of trafficking victim, go through your usual channels to obtain instructions on providing the person with assistance in contacting ORR for possible certification by that agency.

If a victim of trafficking gains an eligible alien status, the new eligible alien status is to be used when redetermining eligibility for that child.

### **Need for Service**

**Legal reference:** 441 IAC 170.2(2) "b"

Determine the need for Child Care Assistance (CCA) by assessing whether the child or parents of the child meet one or more of the following requirements:

- ◆ Training
- ◆ Employment
- ◆ Child protection
- ◆ Medical absence or incapacity
- ◆ Seeking employment
- ◆ Participation in an approved PROMISE JOBS activity. (PROMISE JOBS workers determine participants' child care needs.)

All parents in a family must meet at least one of the requirements in its entirety. A parent may fully meet more than one need for service. For example, a parent may be attending school full time and working 28 hours a week. Approve CCA for both requirements. See [Multiple Needs for Service](#). See [Authorizing Services](#) to determine the units of service.

1. Ms. A is employed 30 hours per week, attends classes at the local community college two nights per week, and is not a FIP recipient. She is registered for six credit hours this semester, which is considered part-time enrollment by the community college. Ms. A can be approved for CCA benefits only for her hours of work, since she does not fully meet the need for service for school attendance.
2. Mr. B does not receive FIP and is registered for 12 credit hours of classes at the local community college. He also works part time at night, averaging 20 hours per week. Mr. B can be approved for CCA benefits only for his hours of school attendance, since he is not employed an average of at least 28 hours per week.
3. Ms. C is registered for 12 credit hours of classes and is employed 30 hours per week. Ms. C can be approved for CCA benefits for both her class time and work hours, because she fully meets both needs for service.
4. Mr. D does not receive FIP. He is registered for nine credit hours of classes (part time) and is employed 20 hours per week. Mr. D is not eligible for CCA benefits because he does not fully meet the need for service for school time or employment.
5. Mr. and Ms. E have two children and the family receives FIP. Mr. E is employed 40 hours per week. Ms. E receives SSI and is unable to work. Ms. E provides documentation from her physician that indicates she is unable to provide care for her children while Mr. E works. Therefore, this family may be eligible for CCA benefits during the hours Mr. E works, as long as all other eligibility requirements are met.
6. Mr. F is a single parent with one child. The family receives FIP. Mr. F is employed 15 hours per week. Mr. F is eligible for CCA benefits because his employment is part of his Family Investment Agreement.
7. Mr. and Ms. G have two children and the family receives FIP. Mr. G is employed 20 hours per week and Ms. G is employed 25 hours per week. This family may be eligible for CCA benefits during the hours that Mr. and Mrs. G are both working, as long as all other eligibility requirements are met.

## **Training**

**Legal reference:** 441 IAC 170.1(234), 170.2(2)“b” and 170.2(4)

Families are eligible for Child Care Assistance (CCA) when the parent or parents are in approved vocational or academic training. See [Nonapprovable Training](#) for reasons why training will not be approved. The academic or vocational training must culminate in a specific goal, such as high school completion, improved English skills, or the development of specific academic or vocational skills.

Training must be on a full-time basis. The training facility defines what is considered full time. Approve a part-time plan only if the number of credit hours to complete training is less than full-time status, the required prerequisite credits or remedial course work is less than full-time status, or training is not offered on a full-time basis.

Approve training for high school completion activities, adult basic education, GED, English as a second language, a college program which leads to an associate of arts degree, and a postsecondary education, up to and including a baccalaureate degree program.

When a training program includes clinics, practicums, student teaching assignments, etc. that are required to be completed before a degree is granted, they are considered part of the approvable training program and child care can be covered.

Work study time can be covered as long as the student meets the need for service for employment hours. See [Need for Service: Employment](#). However, child care for work study is limited to a 24-month lifetime limit because it is part of a student's classroom training program.

Any training program that will lead to a degree higher than an associate of arts degree or a baccalaureate degree is not approvable training for CCA purposes. This includes all training programs leading to professional, graduate, or doctoral degrees.

Child care provided while the parent participates in postsecondary education or vocational training has a 24-month lifetime limit. A "month" is defined as a fiscal month or part thereof. A fiscal month generally has starting and ending dates falling within two calendar months but counts as one month.

1. August 28 through September 27 = 1 fiscal month.
2. One semester scheduled from August 26 through December 20 is counted as a total of four fiscal months:  

August 26 through September 25	= 1 fiscal month
September 26 through October 25	= 1 fiscal month
October 26 through November 25	= 1 fiscal month
<u>November 26 through December 25</u>	<u>= 1 fiscal month</u>

Total = 4 fiscal months
3. Two semesters that are scheduled from August 26 through December 20 and from January 13 through May 9 total eight fiscal months. If the parent does not attend summer school, count no additional fiscal months until the fall semester begins.

Time spent in high school completion, adult basic education, GED, or English as a second language does not count toward the 24-month limit. PROMISE JOBS child care allowances provided while the parent is participating in PROMISE JOBS components in postsecondary education or vocational training do count toward the 24-month limit.

NOTE: If a current CCA client becomes eligible for FIP and PROMISE JOBS, any months counted towards the 24-month lifetime limit on CCA for education **do not** transfer to the PROMISE JOBS 24-month limit.

The reverse is not true. When a PROMISE JOBS client loses FIP eligibility, any months of child care used for education **do** transfer to the CCA 24-month limit.

PROMISE JOBS imposes a 24-month funding limit on **all** supportive services for postsecondary education participants. This funding limit includes such things as transportation allowances, fees, books, etc., as well as child care.

For this reason, be careful before denying CCA benefits to applicants who have exhausted their 24-month funding limit with PROMISE JOBS, because they may have CCA eligibility remaining.

Contact the PROMISE JOBS worker with questions about child care payments.

1. Mrs. C currently receives Child Care Assistance (CCA). She attends college full time and works part time. She has received six months of subsidized child care while in school.  
  
Mrs. C loses her job, but continues to attend school. She becomes FIP-eligible on October 1, and begins receiving benefits. As part of her PROMISE JOBS activities, she continues to attend school full time and receives CCA.  
  
Mrs. C's 24-month lifetime education limit for PROMISE JOBS begins on October 1. The six months that Mrs. C received CCA before she became a PROMISE JOBS participant do not count toward the 24-month limit on child care that a PROMISE JOBS worker can authorize.  
  
If Mrs. C has a training plan approved by PROMISE JOBS and she remains eligible for FIP and PROMISE JOBS, she can receive a total of 30 months of CCA.  
  
However, if Mrs. C loses PROMISE JOBS eligibility, then the six months of assistance she received before PROMISE JOBS and the number of months she received assistance authorized by PROMISE JOBS all count toward the 24-month limit for any further CCA that might be authorized for education.
2. Mr. M is currently a FIP recipient and receives Child Care Assistance while attending college as a PROMISE JOBS component. He has used ten months of his 24-month limit for education. Mr. M's FIP is canceled. He applies for CCA and is determined eligible. Mr. M has 14 months of CCA benefits remaining for education.
3. Ms. N has used up her 24-month supportive services funding limit at PROMISE JOBS. However, only 15 of the 24 months were used for child care. Therefore, Ms. N may apply for CCA and would have nine months of CCA child care remaining to use out of her 24-month lifetime education limit.

Any FIP recipient who is in academic or vocational training and on a PROMISE JOBS waiting list for expense allowances, including child care, is not eligible for subsidy for the hours in academic or vocational training under CCA.

FIP recipients who are on the PROMISE JOBS waiting list are provided with form 470-2925, *Notice of Waiting List Placement*, from PROMISE JOBS. Request this form from the PROMISE JOBS participant to verify placement on the waiting list. If the participant does not have a copy of the form, obtain this information using the process established by your local office for communicating with the local PROMISE JOBS office.

NOTE: When funds are determined unavailable for new applicants, some families must meet the specific requirements of the priority group from which applications are being taken to go on the waiting list. See [Priority for Service](#).

### **Nonapprovable Training**

**Legal reference:** 441 IAC 170.2(2)“b”(1)

The fact that a person requests that Child Care Assistance (CCA) be paid while attending a specific training program does not mean that you must approve the training program.

Use form 470-3915 or 470-3915(S), *Notice of Decision: Child Care Assistance*, to inform the client that the request for CCA to be paid for training is denied if you are not approving the training program. Do not approve a training plan when:

- ◆ The client has previously completed that course of training.
- ◆ Completion of the training program results in a job paying less than minimum wage.
- ◆ The client was previously unable to maintain the cumulative grade point average required by the training facility in the same training for which application is now being made. NOTE: This policy does not apply to parents under age 18 who are completing high school.
- ◆ The training is in an occupational area where available labor market statistics indicate that prospects are low for job availability and employment paying enough to lead to self-sufficiency for the family.

When you deny CCA for this reason, document the source of your labor market statistics and the basis for your decision. Contact either your local PROMISE JOBS office or Iowa Workforce Development (IWD) office for current information on labor market statistics.

You may make exceptions when:

- The client has a job offer before entering the training, or
- The client is willing to relocate after training to an area where there is employment potential.

Clients willing to relocate must provide documentation from IWD, a private employment agency, or an employer that jobs in that occupation paying at least minimum wage are available in the locale specified by the client.

- ◆ A client who already possesses a baccalaureate degree or graduate degree wants additional college course work, unless the course work is to obtain a teaching certificate or to complete continuing education units and will not lead to a masters or other advanced degree.

Do not approve graduate-level course work taken during an undergraduate program in preparation for a graduate degree.

“College course work” is defined as courses that are academic in nature and generally are completed as part of a degree program.

Clients who possess such degrees may be approved for services to attend vocational training courses.

“Vocational training” is defined as a program of study generally offered at a community college or a similar training institution that prepares people to perform specific skills, such as auto repair or clerical skills.

Not all courses offered at a community college are considered vocational training. Most community colleges offer associate degree programs that prepare a person to transfer to a four-year institution for completion of a baccalaureate degree. Do not approve such programs for clients who already have a baccalaureate degree.

The location where training is offered (e.g., a community college or other institution) is not relevant to this determination. Eligibility is based on the nature of training, which must be vocational and not lead to a baccalaureate, postgraduate, or “academic” associate degree.

- ◆ The training is considered self-paced Internet training. You may approve Internet training when the client can provide documentation that there is a regularly scheduled on-line course and that the training is part of the client’s full-time coursework.

Do not include hours spent to study as part of the client's vocational or academic training time.

NOTE: If PROMISE JOBS has denied a classroom training plan for any of the reasons mentioned above, you do not need to make any further eligibility determination. CCA will not cover training that PROMISE JOBS has already determined to be nonapprovable for these reasons.

If PROMISE JOBS has denied a classroom training plan for reasons **not** mentioned above, (e.g., due to imposition of a limited benefit plan or because the family will leave FIP before completion of their training plan) then you will need to make an eligibility determination.

### **Employment**

**Legal reference:** 441 IAC 170.2(2)"b"

Families are eligible for Child Care Assistance (CCA) when the parent or parents are employed 28 or more hours per week or an average of 28 or more hours per week during the month. Assistance may be provided for:

- ◆ The hours of employment of a single parent. Employment averaging 28 hours per week during the month meets the employment requirement.
- ◆ The hours when both parents in a two-parent home are working. In a two-parent household, **both** parents must fully meet the conditions of employment or participation in an educational program. See [Multiple Needs for Service](#) for examples.
- ◆ Sleep time during the daytime hours if the parent works at least six hours between 8:00 p.m. and 6:00 a.m. and:
  - There is not another parent in the home, or
  - The other parent in the home is unable to care for the child during the daytime hours because that parent meets a need for service during those hours.

When the parent or parents are employed 28 or more hours per week and they work from home, you must determine if the employer schedules the parent for set work hours. If the parent is scheduled for set work hours, the need for service is met. If the parent is not scheduled for set work hours, there is no need for service.



1. Mr. B applies for child care for his 2-year-old son. Mr. B works from home and works 30 hours a week as a computer technician. Mr. B has to be on line to provide support to customers from 8 AM to 2 PM Monday through Friday. Mr. B meets the need for service because he is unavailable to care for his child during his work hours.
2. Ms. D applies for child care for her two children. Ms. D works from home as a medical transcriptionist. Ms. D does not have a set work schedule. She is only required to complete her assigned work. Ms. D does not meet the need for service because she can work around the needs of her children.

NOTE: Court-ordered community service is not considered employment. People who state they are working in exchange for rent or utilities are not considered employed.

Participants in approved PROMISE JOBS activities and people who receive FIP or whose earned income was taken into account in determining the needs of FIP recipients are eligible for CCA regardless of hours of employment, as long as there is a need for child care services. See [Need for Service](#).

If the applicant is a foster parent who needs child care services to remain employed, refer to 18-D, [Tangible Goods, Child Care, and Ancillary Services](#), for procedures for approval and payment for child care services to foster children. The foster care worker will handle the child care for foster children.

### **Child Protection**

**Legal reference:** 441 IAC 170.2(2)

Families are eligible for CCA when child care is part of a protective service plan to prevent or alleviate child abuse or neglect. A child is eligible for protective child care when the child has a case plan that identifies protective child care as a required service and either:

- ◆ Is a member of a family with a confirmed case of child abuse; or
- ◆ Due to family circumstances, is considered to be at risk of abuse or neglect, and a service referral to family-centered services has been made.

The family must have been referred to a Department service worker who has:

- ◆ Evaluated the family's need for family-centered services, and
- ◆ Made appropriate plans to offer or arrange services.

This policy does not require the family to be receiving family-centered services, or that the Department be the purchaser of the services.

If there is a court order for child care as part of child protective services, inform the juvenile court judge of the requirements that must be met for a family to be eligible for protective child care services.

If the requirements are not met, and the court still orders protective care, approve the services and note the order in the case file. Complete an application and indicate "court-ordered" in the signature section.

If the Department service worker recommends services that can be provided through another source and these services are adequate to meet the family's needs, the requirements for protective child care are met. Examples include allied services, such as homemaker, and counseling and therapy services available through private insurance or Medicaid.

Document in the file the expected outcome of protective child care services.

NOTE: When the service worker determines that protective child care is necessary, all care provided to that child will be paid by the protective program without regard to the parents' income or need for service until the need for protective care no longer exists. Once the protective case is closed, the family will need to reapply for CCA by filing an application.

### **Medical Absence or Incapacity**

**Legal reference:** 441 IAC 170.2(2)"b"

Families are eligible for CCA for a limited period when a parent who is normally employed or pursuing education, or the parent who would normally care for the child while the other parent works or attends school is unable to do so because the parent is:

- ◆ Absent due to inpatient hospitalization,
- ◆ Absent due to outpatient treatment for a physical or mental illness, or
- ◆ Present in the home but unable to care for the child due to medical incapacity.

NOTE: Drug and alcohol treatment, either inpatient or outpatient, can be court ordered or voluntary. In most situations, the IM worker will determine eligibility for child care.

If the Department is working with the family and the client has been court-ordered to attend drug or alcohol treatment, talk to the service worker to determine if protective CCA is part of the case plan for the family.

If protective child care is not part of the case plan, the IM worker determines eligibility. Supervisory approval is required when more than two units of care are approved per 24-hour period, up to a maximum of four units per day. CCA cannot pay for 24-hour care.

Participation in support groups, such as Alcoholic Anonymous or Narcotics Anonymous, is not considered treatment and does not meet the need for service for medical absence or incapacity.

The intent of this policy is to provide CCA to families in the following situations:

- ◆ To allow one parent in a two-parent household to continue to work or pursue training while the other parent is temporarily unable to work, attend training, or provide care for the children.
- ◆ To provide child care for a single parent who is temporarily unable to work or attend training because they are medically unable to do so.

NOTE: In the two situations above, the incapacitated parent is expected to return to employment or training, or to resume caring for their child once the medical issue is resolved.

- ◆ To allow one parent in a two-parent household to continue to work or pursue training when the other parent has a long-term medical condition that prevents them from working, attend training, or providing care for the children.

NOTE: In all of the situations described above, child care is being paid in order for a family to maintain employment or pursue training, or to allow a parent to recover from a medical condition so that they may resume employment or training.

You must obtain detailed documentation from the parent's medical provider and place it in the case file before approving child care for medical absence or incapacity reasons. You may request a *Report on Incapacity*, form 470-0447, a letter from the physician, or any other reasonable documentation that verifies the need for care.

Care should be limited to a maximum of one month (30 days), unless the physician indicates a specific period of time that child care will be needed.

After the authorized period of care expires, additional child care may be approved if the family provides new documentation from their physician to verify continued need.

1. Mr. and Mrs. C apply for CCA for their two children. Mr. C works Monday through Friday, eight hours per day, while Mrs. C normally stays home and provides care for their two children, ages one and three.

Mrs. C will be admitted to the hospital for outpatient surgery on June 2, and will require six weeks of recovery time afterward. The physician indicates that she will be unable to provide the necessary child care for her children during this six-week recovery period.

As long as the family meets all of the other eligibility requirements, child care can be approved for two units per day, Monday through Friday, for the next six weeks while Mrs. C recovers from surgery.

2. Mr. and Mrs. D apply for CCA for their grandchild. Mr. D works full time, Monday through Friday, eight hours per day, but Mrs. D has multiple medical problems that prevent her from working.

Mrs. D's physician submits an incapacity form indicating she is unable to care for her grandchild for more than an hour at a time. The doctor indicates he does not know if or when Mrs. D will ever be able to work or care for this grandchild.

As long as the family meets all of the other eligibility requirements, child care can be approved for two units per day, Monday through Friday, during the employment hours of Mr. D. Approve this arrangement for a six-month period. Review the family situation and, if necessary, request new medical documentation during the usual six-month eligibility review.

3. Mr. and Mrs. E are applying for CCA for their two children. Mrs. E works Monday through Friday, eight hours per day.

Mr. E was working full time until last week when he was injured at work. He is now unable to work and unable to provide child care for their two children while he recovers from surgery. Mr. E's physician indicates he will be unable to work or to provide child care for at least 12 weeks.

As long as the family meets all of the other eligibility requirements, child care can be approved for two units per day, Monday through Friday, for the next 12 weeks while Mr. E recovers from surgery.

4. Mr. F has been receiving CCA for his child for the last four months while he worked. He was working full time until last week when he was injured in a car accident. His physician indicates that he will be unable to work or care for his children for the next six weeks while he recovers.

As long as he meets all of the other eligibility requirements, child care can be approved for the six-week recovery period.

5. Mr. and Mrs. G are applying for CCA for their two children. Mr. G works full time, but Mrs. G receives SSI benefits and does not work. Mrs. G states she is unable to work or provide care for her children while Mr. G is working. Mrs. G's physician does not indicate she is unable to work, only that she must avoid repetitive motion and heavy lifting.

Since the physician does not indicate Mrs. G is unable to work or provide care for her own children, the application for CCA must be denied.

6. On August 2, Ms. B applies for CCA for her three children. She was working full time but has been court-ordered to attend a 60-day outpatient alcohol treatment program beginning August 2. Ms. B intends to return to work after treatment.

The worker receives verification from Ms. B's physician that Ms. B cannot care for her children while she attends outpatient treatment. As long as Ms. B meets all of the other eligibility requirements, child care can be approved for the period she attends treatment.

### **Seeking Employment**

**Legal reference:** 441 IAC 170.2(2)"b"

Families are eligible for Child Care Assistance (CCA) when the parent or parents are looking for employment. Child care for job search is limited to only those hours the parent is actually looking for employment and travel time. PROMISE JOBS participants are limited to the number of hours approved by the PROMISE JOBS worker.

Approve child care in two-parent families only during the hours when both parents are looking for employment at the same time or during the hours when one parent is looking for employment and the other parent is meeting another need for service.

Child care assistance for job search may be approved only for one 30-consecutive-day period in any 12-month period. Approve a job search plan after consultation with the parent. The plan shall last no longer than 30 consecutive days, or a calendar month, whichever is longer.

Complete the notice of decision with the days and units chosen by the parent to conduct the job search. Allow a maximum of one unit of child care each day, unless you have documentation in the case record to justify a second daily unit.

Require documentation of job search contacts to verify the need for child care during the 30-day period of job search. There is no “days of absence” policy for job search, because there are no “regularly scheduled days” for the children. Any days of child care used that are not documented with appropriate job search records are the responsibility of the parent.

“Appropriate job search documentation” means:

- ◆ The documentation is submitted in writing,
- ◆ Every job contact includes the name of the employer, business address, telephone number, and the name of the person contacted, and
- ◆ Date and time the contact was made.

1. Mr. M is unemployed and needs child care while he looks for work. He decides that he will begin a job search on December 13, and will seek work Monday through Friday for approximately 4 to 5 hours each day.

Therefore, Mr. M will be approved for one unit of child care per day through January 12. The notice of decision reflects this certification period and that Mr. M is authorized to use child care only Monday through Friday for one unit each day.

When Mr. M provides his job search documentation, it shows that he needed only 15 days of child care during his job search. However, the child care provider billed DHS for 20 days. Mr. M is responsible to pay for the extra five days himself. DHS will pay only for the 15 days that have been documented with job search records.

2. Ms. N is employed 30 hours per week, but she would like to conduct a part-time job search to find better employment. She can do a job search only on Mondays and Tuesdays, because she works the other days of the week. Ms. N would like to begin her search on May 20.

Therefore, Ms. N is approved for one unit of child care on Mondays and Tuesdays for 30 days beginning May 20 and ending June 19.

3. Ms. P is unemployed and would like CCA in order to look for work. She agrees to begin her search on March 1, and indicates she will search Monday through Saturday. Ms. P is approved for one unit of child care per day, Monday through Saturday, from March 1 through March 31.

NOTE: Parents can use as many days of child care as they wish during the 30-day period of job search as long as they provide documentation of their job search activity to verify need for care. However, once the 30-day period of job search ends, the parent will not be eligible for child care to conduct a job search again until the 12-month period expires.

If the provider submits a claim for care provided on days of job search, and no search documentation from the client has been received, the provider should be paid for care provided and an overpayment claim against the client should be initiated for the amount paid.

### **Multiple Needs for Service**

**Legal reference:** 441 IAC 170.2

In a two-parent household, **both** parents must fully meet one of the needs for service to be eligible for Child Care Assistance (CCA).

1. Mr. A is employed 35 hours per week and Mrs. A attends school full time. Mr. A works from 9 a.m. until 5 p.m., Monday through Friday, and Mrs. A attends school from 10 a.m. until 3:30 p.m., Monday through Thursday. They have two children who need child care between 9:30 a.m. and 4 p.m.

Approve two units of care per day (Monday through Thursday) for each child. Do not pay for child care services on Friday, since both parents do not meet the need for service.

2. Mrs. B is employed 40 hours per week, third shift, from 10 p.m. until 6 a.m., Monday through Friday. Mr. B works 30 hours per week, from 10 a.m. until 3 p.m., Tuesday through Sunday. Even though both parents individually meet the need for service, there is no overlap in work schedules. Therefore, this family is not eligible for CCA.
3. Mr. and Ms. C have two children and the family receives FIP. Mr. C is employed 40 hours per week. Ms. C receives SSI and is unable to work.  
  
Ms. C provides documentation from her physician that indicates she is unable to provide care for her children while Mr. C works. Therefore, this family may be eligible for CCA benefits during the hours Mr. C works as long as all other eligibility requirements are met.

Parents may meet more than one need for service. To be eligible for CCA, they must fully meet both needs for service.

Mrs. C attends school full time, Monday through Friday, from 9 a.m. until 3 p.m. She is getting two units per day of child care for her daughter while she attends class. Mrs. C begins a part-time job. She works Friday through Sunday evenings, from 5 until 9 p.m.

Unless Mrs. C's family receives FIP, Mrs. C does not meet the additional need for service for CCA payment for her work hours, since she is employed only 12 hours per week.

### **Financial Eligibility**

**Legal reference:** 441 IAC 170.2(1)

CCA is provided without regard to income for:

- ◆ Families with a child with protective needs.
- ◆ Participants in PROMISE JOBS-approved activities.
- ◆ Recipients of FIP, or people whose income was considered in determining the needs of a FIP recipient.

Other families are financially eligible for CCA when their monthly gross income, according to family size, is no more than the following amounts:



<u>MONTHLY GROSS INCOME</u>					
<u>Family Size</u>	<u>Column A</u> (Basic care)	<u>Column B</u> (Special needs care)	<u>Family Size</u>	<u>Column A</u> (Basic care)	<u>Column B</u> (Special needs care)
1 member	\$1257	\$1734	11 members	\$5607	\$7059
2 members	1692	2334	12 members	6042	7203
3 members	2127	2934	13 members	6477	7347
4 members	2562	3534	14 members	6912	7491
5 members	2997	4134	15 members	7347	7635
6 members	3432	4734	16 members	7779	7779
7 members	3867	5334	17 members	7923	7923
8 members	4302	5934	18 members	8067	8067
9 members	4737	6534	19 members	8211	8211
10 members	5172	6915	20 members	8355	8355
Add \$144 for each additional person over 20 members.					

If a family has some children that meet the criteria for special needs while others do not, establish eligibility using both columns in the table.

Mrs. D has two children. One meets the criteria for special needs, while the other child does not. Mrs. D works full-time and her monthly gross income is \$2400. Since this is a household of three, only the special needs child is eligible for CCA.

NOTE: See [Fee Schedule](#) for the assessment of fees.

### **Documenting Special Needs**

**Legal reference:** 441 IAC 170.1(237A)

Before assessing the family's income against Column B, request documentation from the family to substantiate the child needing services meets the definition for special needs. A child with "special needs" meets one or more of the following conditions:

- ◆ A physician or a school psychologist endorsed by the Iowa Department of Education has diagnosed the child to have a developmental disability that:
  - Substantially limits one or more major life activities, and
  - Requires professional treatment, assistance in self-care, or the purchase of special adaptive equipment.

- ◆ A qualified mental retardation professional has determined the child to have a condition that impairs the child's intellectual and social functioning.
- ◆ A mental health professional has diagnosed the child to have a behavioral or emotional disorder characterized by situationally inappropriate behavior that:
  - Deviates substantially from behavior appropriate to the child's age, or
  - Significantly interferes with the child's intellectual, social, or personal adjustment.

Documentation to substantiate that a child meets the definition of "child with special needs" may include:

- ◆ A copy of the child's Individual Education Plan.
- ◆ A psychological evaluation.
- ◆ A statement from a physician, qualified mental retardation professional, mental health professional, or school psychologist that the child meets the diagnosis.

NOTE: The fact that the child meets the definition for special needs alone does not mean that the child care provider can charge the special needs rate. See [Special Needs Rate](#).

### **Family Size**

**Legal reference:** 441 IAC 170.2(1)

The family includes the following members:

- ◆ Legal spouses (including common law) who reside in the same household.
- ◆ Natural, adoptive, or stepmother or stepfather and children under the age of 18, or under the age of 19 if the child has special needs, who reside in the same household.
- ◆ A parent under the age of 18 and children who reside in the same household. Consider only the teen parent and the teen parent's children in the family size.
- ◆ A child residing with a person or persons not legally responsible for the child's support (caretakers or guardians). Consider the child as a family of one. Consider only the child's income when determining financial eligibility.

A companion in the home is not considered in determining family size or income, unless there is a common child.

The composition of the family does not change when one or more of the family members is temporarily absent from the household. Consider people who are temporarily absent when determining family size. "Temporarily absent" means:

- ◆ Absence with the intent to return home within three months.
- ◆ A medical absence anticipated to be less than three months.
- ◆ An absence for the purpose of education or employment.

1. Mr. and Mrs. F have three children. The household size is five.
2. Mr. and Mrs. G are married. Mr. G has two children from his previous marriage, and Mr. and Mrs. G have one child together. This is a household of five.
3. Mr. D and Ms. H are not married but they have a child together. This is a household of three.
4. Mr. and Mrs. J have a daughter under the age of 18. Their daughter has a child of her own. This is considered a household of two. Only the minor parent and her child are counted in family size.
5. Ms. K is the caretaker of her 17-year-old niece, who has a 6-month old baby. This is considered a household of two. Just the 17-year-old and her baby count in household size.
6. Mr. M is the caretaker of his 10-year-old nephew. This is a household of one. Only the nephew is counted in household size.
7. Mr. N has one child and he is the caretaker for his niece. This family is considered as two separate households. One household includes Mr. N and his child, and the other household includes only the niece.
8. Ms. P is in the military. She is assigned overseas and her two children will be staying with their uncle until she returns. The caretaker uncle applies for CCA because he works full time.

The household size remains three, Ms. P and her two children, and all of Ms. P's income continues to count towards CCA eligibility and fees. The uncle's income is not counted.

However, the need for service is based upon the caretaker's work schedule. If the uncle works Monday through Friday from 9 to 5, then CCA may be approved for two units per day, ten units per week.

### **Projecting Income**

**Legal reference:** 441 IAC 170.2(1)

To determine eligibility for an application or review, project income using all nonexempt income received in the 30-days before the date of the application or review if the 30-day period is indicative of future income.

Verify and count the income of any person included in the family size in determining the family's monthly gross income. The income amount will be used to determine whether a family is eligible for CCA benefits **and** whether the family will be required to pay any fees. (See [Fee Schedule](#).)

Accept the statement of the applicant or participant as to whether the 30-day period is indicative of future income. If the applicant or participant states the 30-day period is not a good indicator of future income, either:

- ◆ Use an average of the income for at least three months, but for no more than the past six months, or
- ◆ Obtain verification of future income from the income source.

When income fluctuates enough that the 30-day period will not give an accurate projection, use an average of the income for at least three months, but for no more than the past six months.

The decision on whether to use a longer period or to request verification of future income from the income source should be primarily the client's. However, when the client is unsure of which would be the best indicator of future income, request verification from the income source.

Also request verification from the income source if the client does not have pay stubs from the 30-day period or the longer period, if applicable.

Document the period of time used and the calculation in the case record.

Exclude income when you cannot predict the month it will be received. If you can predict the month when income will be received but the amount is uncertain, count only the amount that is certain.

Ms. A and her child are receiving CCA. Ms. A receives \$350 in child support on April 2, 2007, because CSRU took the child's father's state tax refund. Normally Ms. A does not receive child support. She is unsure if she will get this money in the future. This child support is not included in the income projection because we cannot predict if this income will be received again.

NOTE: Families who are eligible for FIP or PROMISE JOBS are eligible for CCA regardless of income.

Determine monthly income by using "normal months."

- ◆ If someone is paid bi-weekly, the monthly income is the total of the two paychecks received in the month.
- ◆ If someone is paid weekly, the monthly income is the total of the four paychecks received in the month.
- ◆ When a family receives a third or fifth paycheck in any particular month, this extra income should be ignored. This policy applies to both earned and unearned income.

1. Mr. and Mrs. A have three children, so this is a household of five. Both parents are employed. Mr. A works 30 hours per week and earns \$500 bi-weekly. Mrs. A works 40 hours per week and earns \$320 weekly. The family is applying for Child Care Assistance (CCA) in July, which has four paydays. Gross monthly income is calculated as follows:

$$\begin{array}{rcl} \$500 \times 2 & = & \$1,000 \\ \underline{\$320 \times 4} & = & \underline{\$1,280} \\ & = & \$2,280 \end{array} \qquad \text{Fee} = \$1.45 \text{ per unit}$$

2. Mr. and Mrs. B have three children, so this is a household of five. Both parents are employed. Mr. A works 30 hours per week and earns \$500 bi-weekly. Mrs. B works 40 hours per week and earns \$320 weekly. The family is applying for CCA in August, which has five paydays. Gross monthly income is calculated as follows:

$$\begin{array}{rcl} \$500 \times 2 & = & \$1,000 \\ \underline{\$320 \times 4} & = & \underline{\$1,280} \\ & = & \$2,280 \end{array} \qquad \text{Fee} = \$1.45 \text{ per unit}$$

The third and fifth paychecks are ignored in the income calculation.

3. Ms. C has two children, so this is a household of three. She applies for CCA and provides an employer's statement that indicates she will work an average of 35 hours per week, earning \$8.50 per hour, and she will be paid weekly. Calculate her gross monthly income prospectively as follows:

\$ 8.50	\$ 297.50	Fee = \$0.00
x 35	x 4	
= \$297.50	= \$1,190	

4. Mr. and Ms. D have two children and the family receives FIP. No income calculation is necessary to determine eligibility for this household.
5. Ms. E has two children, so this is a household of three. She works 30 hours per week and earns \$210 per week. She receives \$100 a week in child support for her children. The family returns a *Child Care Review* to the Department in July that includes verification of June's income. June had five paydays and she received five child support checks.

Calculate her gross monthly income prospectively as follows:

Earnings	Child support
\$ 210.00	\$ 100.00
x 4	x 4
\$ 840.00	\$ 400.00

Both the fifth paycheck and child support check are ignored in the income calculation. This household has gross income of \$1,240 (\$840 + \$400), and the fee is \$0.00.

6. Ms. F has one child, so this is a household of two. She works 30 hours per week and earns \$240 per week. She receives child support for her child of \$50 per week. The family applies for CCA on July 3. Ms. F received the following child support:

6/7/07	\$ 50	6/28/07	\$ 50
6/14/07	\$ 200	7/5/07	\$ 50
6/21/07	\$ 50	7/12/07	\$ 50

Calculate her gross monthly income prospectively as follows:

Earnings	Child support
\$ 240.00	\$ 50.00
x 4	x 4
\$ 960.00	\$ 200.00

The extra \$150 of the \$200 child support payment is not included in the income calculation because it is not indicative of future income. The household has a gross income of \$1,160 (\$960 + \$200) and a fee of \$0.00.

7. Mr. G has three children, so this is a household of four. He works 40 hours per week and earns \$800 bi-weekly. The family applies for CCA in June. Mr. G worked 40 hours of overtime in the month of May to cover for co-workers who were on vacation. The overtime will not continue. The last 30-days of income is not indicative of future income.

Calculate his gross monthly income prospectively as follows:

Earnings	\$	800.00
	x	<u>2</u>
		\$1,600.00

The overtime is not included in the income calculation because it is not indicative of future income. The household has a gross income of \$1,600 and a fee of \$0.00.

8. Same as Example 7, except that Mr. G worked 10 hours of overtime in the first week of June. The worker verifies that the overtime will not continue. The overtime is not included in the income calculation because it is not indicative of future income. The household has a gross income of \$1,600 and a fee of \$0.00.

Determine monthly gross income for a migrant seasonal farm worker by calculating the total amount of income earned in the 12-month period preceding the date of the application and dividing the total amount by 12. Apply this calculation when the applicant or participant:

- ◆ Performs seasonal agricultural work that requires travel so that the applicant or participant is unable to return to a permanent residence within the same day, and
- ◆ Derives most of the income from seasonal agricultural work performed during the months of July through October. "Most" means a simple majority of the income.

### **Countable Income**

**Legal reference:** 441 IAC 170.2(1)

The "monthly gross income" is the monthly sum of income received by a person from the following sources that are identified by the U.S. Census Bureau in computing the median income:

- ◆ **Alimony:** Include all periodic payments family members receive from ex-spouses. Exclude one-time-only property settlements.

- ◆ **AmeriCorps:** Count payments made to participants in AmeriCorps\*USA (for participants 17 years and older) and AmeriCorps\*NCCC (for participants 16 to 24 years of age) programs as follows:
  - Treat the living allowance (stipend) as earned income.
  - Do not count the child care allowance as income.
  - Exempt the educational award as income.
  - Exempt the unearned in-kind benefits of health insurance, reasonable accommodations, supplies and services made available for AmeriCorps participants who have disabilities as income.

VISTA payments are unearned income, because participants are considered volunteers rather than employees. Title I VISTA volunteer payments are excluded as income as long as the director of ACTION determines that their total value is less than the federal or state minimum wage divided by the hours of service.

To date, the director of ACTION has determined no VISTA payment to equal or exceed the minimum wage. When VISTA payments exceed the minimum wage limit, count the entire amount.

- ◆ **Cash payments.**
- ◆ **Casino profits:** Include income paid to Indian tribe members from profits of a casino. Prorate the income over the number of months for which the income is received.
- ◆ **Child support:** Include the periodic payments from an absent parent for the support of children, even if these payments are made through a state or local government office.
- ◆ **Earnings, wages, or salary:** Include the total money earnings a family member received from work performed as an employee, including wages, salary, Armed Forces pay, commissions, tips, piece-rate payments, cash bonuses earned, and sheltered workshop earnings.

This is the amount before deductions are made for items such as taxes, bonds, pension, union dues, uniforms, and similar purposes. Include the total money earnings of a child who is over 14 years old.
- ◆ **Dividends, interest on savings or bonds, income from estates or trusts:** Include dividends from stock holdings or membership in associations, interest on savings or bonds, periodic receipts from estates or trust funds.



- ◆ **Net rental income or royalties:** Include receipts from boarders or lodgers and net royalties and net income from rental of a house, store, or other property to others. "Net rental income" is that income remaining after expenses such as taxes, interest, or borrowed principal to purchase property, insurance, and upkeep of the property.

- ◆ **Net income from farm self-employment:** Include gross receipts minus operating expenses from a person's operation of a farm as an owner, renter, or sharecropper. "Gross receipts" include:

- The value of all products sold.
- Payments from government loan programs.
- Money received from the rental of farm equipment to others.
- Incidental receipts from the sale of wood, sand, gravel, etc.
- Money received from farm property if payment is based on a percentage of crops produced

"Operating expenses" include costs of feed, fertilizer, seed and other farming supplies, cash wages paid to farmhands, cash rent, interest on farm mortgages, farm building repairs, and farm taxes (not state and federal personal income taxes). The value of fuel, food, or other farm products used for family living is not included as part of net income.

NOTE: Do not offset the loss from one self-employment enterprise against the profit of another self-employment enterprise or any other earned or unearned income the household has.

- ◆ **Net income from nonfarm self-employment:** Include gross receipts minus expenses from a family member's own business, professional enterprise, or partnership. "Gross receipts" include the value of all goods sold and services rendered.

"Expenses" include cost of goods purchased, rent, heat, lights, power, wages and salaries paid, business taxes (not personal income taxes), and similar costs. The value of saleable merchandise consumed by the proprietors of retail stores is not included as part of net income.

NOTE: Do not offset the loss from one self-employment enterprise against the profit of another self-employment enterprise or any other earned or unearned income the household has.

- ◆ **Pensions and annuities:** Include pensions or retirement benefits paid to a retired person or the person's survivors by a former employer or by a union, either directly or through an insurance company; periodic receipts from annuities or insurance.

- ◆ **Permanent disability insurance:** Include Social Security Disability Insurance (SSDI) payments made by the Social Security Administration, before deductions for medical insurance.
- ◆ **Public assistance or welfare payments:** Include public assistance payments, such as FIP, State Supplementary Assistance, general assistance, and cash payments received under the FIP Diversion program and the statewide Family Self-Sufficiency Grant program.
- ◆ **Railroad retirement insurance:** Include checks from the U.S. Government.
- ◆ **Social Security:** Include Social Security pensions and survivors benefits
- ◆ **Strike pay:** Include strike benefits received from union funds.
- ◆ **Supplemental Security Income:** Include federal, state, and local welfare agency payments to low-income people.
- ◆ **Unemployment compensation:** Include compensation received from government insurance agencies or private companies during periods of unemployment.
- ◆ **Veterans benefits:** Include all monies paid to or on behalf of a family member because of veteran status as income, regardless of the purpose of the payments. Include money paid periodically by Veterans Affairs to disabled members of the armed forces or to survivors of deceased veterans for education and on-the-job training, as well as so-called "refunds" paid to ex-service persons as GI insurance premiums.
- ◆ **Workers compensation:** Include compensation received periodically from private insurance companies for injuries incurred at work. The cost of this insurance must have been paid by the employer and not by the person.
- ◆ **Work study.**

### **Excluded Income**

**Legal reference:** 441 IAC 170.2(1)

"Total gross income" equals the amount of countable income minus any excluded income. Use the total gross income amount to determine eligibility for Child Care Assistance (CCA) (see [Financial Eligibility](#)) and to determine whether the family will be responsible for paying a portion of the child care costs (see [Fee Schedule](#)).

Exclude the following types of income from the computation of monthly gross income:

- ◆ Earnings of a child 14 years of age or under.
- ◆ Earnings of a child 18 years of age or under who is a full-time student. Assume a child 17 and under is a full-time student unless you have information otherwise. Treat the income of a minor parent in the same way as any other parent.
- ◆ Payments or earnings received by any youth under the Workforce Investment Act (WIA).
- ◆ The first \$65 and 50% of the remainder of income earned at a sheltered workshop or work activity center.
- ◆ The income of the parents with whom a teen parent resides if the application is for the teen parent's child.
- ◆ The income spent on any regular, ongoing cost that is specific to a child's disability. Note: A family must be applying for CCA for the special needs child in order to exclude this income.
- ◆ Payment from the Iowa Individual Assistance Grant Program (IIAGP).
- ◆ Loans and grants, such as scholarships, or gifts that are:
  - Obtained and used under conditions that preclude their use for current living costs, or
  - Made or insured under the Higher Education Act to any undergraduate student for educational purposes.
- ◆ Capital gains and money received from sale of property, such as stocks, bonds, a house, or a car. (NOTE: If the person is engaged in the **business** of selling such property, the proceeds are counted as income from self-employment.)
- ◆ Lump-sum inheritances or insurance payments or settlements, such as (but not limited to):
  - Per capita payment to, or funds held in trust for, any person in satisfaction of a judgment of the Indian Claims Commission or the Court of Claims.
  - Payments made pursuant to the Alaska Native Claims Settlement Act, to the extent such payments are exempt from taxation under Section 21(a) of the Act.

- Any payment received under the Uniform Relocation Assistance and Real Property Acquisition Policies of 1970.
- Agent Orange Settlement payments.
- ◆ Use of personal resources, such as:
  - Withdrawals of bank deposits.
  - Tax refunds.
  - Home produce used for household consumption.
- ◆ Payments from the Low-Income Home Energy Assistance Program.
- ◆ Certain public assistance income, including:
  - The value of the benefit allotment in the Food Assistance program.
  - The value of United States Department of Agriculture donated foods.
  - The value of supplemental food assistance under the Child Nutrition Act of 1966 and the special food program for children under the National School Lunch Act, as amended.
  - The value of payments to vendors or vouchers under the FIP Diversion program and the statewide Family Self-Sufficiency Grant program.
  - Adoption subsidy payment received from the Department.
- ◆ Stipends received by persons for participating in the Foster Grandparent program under Public Law 93-113, Section 418, Part B.
- ◆ Public housing subsidies.
- ◆ Monies received under the federal Social Security Persons Achieving Self-Sufficiency program or the Income-Related Work Expenses program.
- ◆ Monies from federal or state earned income tax credit, whether received with regular paychecks or as a lump sum included with the tax refund.
- ◆ Reimbursements from an employer for job-related expense.
- ◆ Stipends from the preparation for adult living (PAL) program.
- ◆ Payments from the subsidized guardianship waiver program.
- ◆ The living allowance payments made to participants in the AmeriCorps\*VISTA program, as long as the director of ACTION determines the value of all such payments is less than minimum wage.
- ◆ Census earnings received by temporary workers from the Bureau of Census.

### **Self-Employment Income**

Determine the hours of work for self-employed parents by accepting their statement of hours worked, unless you have reason to question the hours. Verify monthly income using whatever method is the simplest.

### **Age**

**Legal reference:** 441 IAC 170.2(2)

Children are eligible for Child Care Assistance (CCA) benefits up to age 13.

EXCEPTIONS:

- ◆ Children with special needs are eligible for CCA benefits up to the age of 19 years. Refer to [Financial Eligibility: Documenting Special Needs](#) for the definition of a "child with special needs."
- ◆ Children aged 13 up to age 16, where there are special family circumstances that put the safety and well-being of the child at risk if left home alone, **may** be eligible for CCA. There must be exceptional circumstances that put the child at risk.

The parent or guardian must request an exception to policy through the normal channels. See 1-B, [EXCEPTIONS TO POLICY](#). The local office should submit documentation of the special circumstances as necessary. The application or review for CCA should be pended until a decision has been made by the Director on the exception to policy.

1. Ms. C applies for Child Care Assistance (CCA) for her 13-year-old child. Ms. C works 10 PM to 7 AM Monday through Friday. Ms. C indicates she is not comfortable leaving her child home alone overnight because, "he'll get into trouble." There are no special circumstances that put the child's health and safety at risk being home alone. The local office denies the application for no eligible child in the home.
2. Mr. D applies for child care for his 14-year-old child. Mr. D works Monday through Friday noon to 9 PM. Mr. D and his child live in a documented high crime neighborhood. Mr. D's home was broken into recently and he has called the police numerous times in the last six months because of people trespassing on his property. The child being home alone until Mr. D returns from work puts the child's safety at risk.

The local office has Mr. D apply for an exception to policy and forwards the exception and documentation to the Appeals Unit in central office. The local office leaves the application pending. If the Director approves the exception to policy, and Mr. D meets all other eligibility criteria, his application for child care is approved.

### **Acceptance or Denial of Application**

**Legal reference:** 441 IAC 170.3(3), 170.5(237A), 170.6(237A)

Approve or deny the application for Child Care Assistance (CCA) within 30 days from the date the signed and dated application form is received in the Department's (DHS) local office. Deny services when:

- ◆ The family does not meet the eligibility requirements, including need for service, financial eligibility, or age of the child needing services; or
- ◆ The family fails or refuses to provide requested information needed to determine eligibility; or
- ◆ The funding is not available to provide the service. EXCEPTION: People participating in approved PROMISE JOBS activities and recipients of FIP, or those whose earned income was taken into account when determining the needs of a FIP recipient, are not subject to denial for lack of funding.

Use form 470-3915 or 470-3915(S), *Notice of Decision: Child Care Assistance*, to notify the applicant of approval or denial of services. NOTE: The court order and the case plan serve as the notice of approval for protective cases. Send form 470-3915 or 470-3915(S) to inform the parent and provider of what units of service are authorized for each child.

The written notice must be "adequate." This means that it must include:

- ◆ A statement of what action is being taken;
- ◆ The reason for the intended action;
- ◆ The manual chapter number and subheading supporting the action;
- ◆ An explanation of the applicant's right to appeal; and
- ◆ The circumstances under which the service is continued during an appeal.

Issue the notice of decision approving or denying services to the applicant and the child care provider (when care is already being provided) on the date the determination is made.

### **Identifying the Provider**

In many situations, parents will have already selected the child care provider by the time they apply for child care services. If the parent needs assistance in choosing a provider, refer the parent to the Child Care Resource and Referral agency serving the county, or provide the parent with a list of providers that is found in each local office.

The policies and procedures for identifying eligible providers and the requirements that must be met by a provider are organized into the following sections:

- ◆ [Eligible providers](#)
- ◆ [Provider requirements](#)
- ◆ [Adding a provider to POS](#)
- ◆ [Removing a provider from POS](#)

### **Eligible Providers**

**Legal reference:** 441 IAC 170.4(3)

A parent can choose care from:

- ◆ A licensed child care center.
- ◆ A registered child development home.
- ◆ A nonregistered child-care home.
- ◆ A provider who provides care in the child's own home.
- ◆ A child care program operated by or under contract to a public or nonpublic school accredited by the Department of Education (exempt from licensing requirements).

The parent indicates the choice of provider on form 470-3624 or 470-3624(S), *Child Care Assistance Application*, or 470-0462 or 470-0466 (Spanish), *Health and Financial Support Application*. There are limits to parental choice of provider:

- ◆ Children who are receiving **protective** child care services must be served in a licensed center or registered child development home, unless the service worker determines that a nonregistered provider is the most appropriate choice for the specific case. Consider the child's needs when child care is part of a protective services plan to prevent or alleviate child abuse or neglect.

The worker determines that a child is in need of social skills and language development and that the child would benefit more from placement in a child care center where the peer group experience is optimal. The parent chooses a registered child development home, where the child is the only child receiving care besides the provider's own child.

The child care arrangement chosen by the parent is not approved, because it is determined not to be in the best interest of the child.

- ◆ Approve **in-home** care only when the family has three or more children who require care. If the parent has chosen in-home care, but does not have at least three children requiring care, the parent must select another type of care.

EXCEPTION: If the provider lives in the same household as the children requiring care, treat the provider as either a registered child development home or a nonregistered home rather than as an in-home provider.

Ms. A and her two preschool children live with her mother, Ms. B. Ms. B agrees to provide child care for her two grandchildren while Ms. A works. Ms. B is treated like a nonregistered child care provider and will be paid the nonregistered home rate instead of the in-home rate.

All of the children in the family requiring child care must receive their care from the in-home provider. However, the children need not all receive the same number of units of service in a 24-hour period. For example, the care may include both before- and after-school care to the school-aged children in the family and full-day care to the preschool children in the family.

- ◆ Do not approve providers who live **outside Iowa**. If the client's circumstances indicate that an out-of-state provider is the only available child care provider, the client must request an exception to policy for the provider to become approved. See 1-B, [EXCEPTIONS TO POLICY](#).
- ◆ Do not approve providers who have been sanctioned by the CCA program. See [Overpayment Recovery: Sanctions for Provider Fraud](#) for more information.

### **Provider Requirements**

**Legal reference:** 441 IAC 170.4(3)

**Policy:** Providers must meet specific requirements in order to be eligible for payment from the Child Care Assistance (CCA) program. The requirements vary according to the type of provider. Refer to the following sections:

- ◆ [Provider cooperation with investigations](#)
- ◆ [Required forms](#)
- ◆ [Licensed or registered providers](#)
- ◆ [Nonregistered providers](#)

#### **Provider Cooperation with Investigations**

**Legal reference:** 441 IAC 170.5(1)"c"

**Policy:** To be eligible for payment from CCA, all providers must cooperate with the Economic Fraud Control Unit of the Department of Inspections and Appeals (DIA) when the provider is referred for investigation.



DIA conducts front-end and fraud investigations of providers upon referral from DHS.

**Procedure:** When the Economic Fraud Control Unit notifies you that a provider has failed to cooperate in an investigation, deny or cancel the provider agreement. Issue a timely *Notice of Decision* to cancel the provider agreement.

Procedures for what to do when a provider reapplies after the provider agreement has been revoked for failure to cooperate are explained in the [Child Care Assistance Provider Agreement](#) section.

### **Required Forms**

**Legal reference:** 441 IAC 170.4(3)

**Policy:** Child care providers must meet the requirements specified by the following documents, depending on the classification of the provider.

**Procedure:** Verify the status of the provider before you approve payment.

<u>Type of Provider</u>	<u>Requirements</u>
Child care center	<ul style="list-style-type: none"><li>◆ <i>Certificate of License, 470-0618</i></li><li>◆ <i>Child Care Assistance Provider Agreement, 470-3871</i></li></ul>
Registered child development home	<ul style="list-style-type: none"><li>◆ <i>Certificate of Registration, 470-3498</i></li><li>◆ <i>Child Care Assistance Provider Agreement, 470-3871</i></li></ul>
Nonregistered child care home	<ul style="list-style-type: none"><li>◆ <i>Minimum Health and Safety Requirements for Nonregistered Child Care Home Providers, Comm. 95 or Comm. 95(S)</i></li><li>◆ <i>Payment Application for Nonregistered Providers, 470-2890 or 470-2890(S)</i></li><li>◆ <i>Non-Law Enforcement Record Check Request Form A, 595-1489 or 595-1489(S)</i></li><li>◆ <i>Request for Child Abuse Information, 470-0643</i></li><li>◆ <i>Child Care Assistance Provider Agreement, 470-3871</i></li></ul>
Exempt program	<ul style="list-style-type: none"><li>◆ <i>Child Care Assistance Provider Agreement, 470-3871</i></li></ul>

<u>Type of Provider</u>	<u>Requirements</u>
In-home care	<ul style="list-style-type: none"><li>♦ <i>Minimum Health and Safety Requirements for Nonregistered Child Care Home Providers</i>, Comm. 95 or Comm. 95(S)</li><li>♦ <i>Payment Application for Nonregistered Providers</i>, 470-2890 or 470-2890(S)</li><li>♦ <i>Non-Law Enforcement Record Check Request, Form A</i>, 595-1489 or 595-1489(S)</li><li>♦ <i>Request for Child Abuse Information</i>, 470-0643</li><li>♦ <i>Child Care Assistance Provider Agreement</i>, 470-3871</li></ul>

NOTE: A relative who is a registered provider must follow the requirements set forth for child development homes. A relative who is not registered must follow the requirements set forth for nonregistered child care providers.

### **Licensed or Registered Providers**

The Department's (DHS) staff or PROMISE JOBS staff follow three steps to obtain approval to make payment to licensed or registered providers.

1. Check to see if the family's chosen provider is a registered or licensed child care provider by accessing the Child Care Provider Display (DCPD) screens. The DCPD screens provide information about what type of provider the family has chosen and whether the provider has signed a *Child Care Assistance Provider Agreement*. See 14-H, [CHILD CARE PROVIDER DISPLAY \(DCPD\) SYSTEM](#).
2. If the provider **is** registered or licensed, but has **not** signed a *Child Care Assistance Provider Agreement*, issue the following to the provider, with instructions to return the form to your office:
  - ♦ Form 470-3871, *Child Care Assistance Provider Agreement*.
  - ♦ A self-addressed-stamped-envelope.
3. Once this form is returned, forward the form to the DHS staff person responsible for completing *Child Care Assistance Provider Agreements* in your area. DHS staff finish the provider approval process by:
  - ♦ Approving or denying the *Child Care Assistance Provider Agreement*.
  - ♦ Providing PROMISE JOBS workers with information and a copy of the *Child Care Assistance Provider Agreement* form as necessary.

NOTE: If the DCPD system indicates that the provider already has a *Child Care Assistance Provider Agreement* on file with DHS, provide copies of the form to the requester as needed.

### **Nonregistered Providers**

**Legal reference:** 441 IAC 170.4(3) "f" and "h"

People who do business as a nonregistered child care home must meet the definition of a child care home, pass the required background checks, meet all minimum health and safety requirements, and complete the appropriate paperwork.

To meet the definition of a child care home the provider must provide care in a single-family residence that the provider owns, rents, or leases. Exception: A provider that goes into the family's home to care for children (In-Home care) does not have to meet the residence requirement.

If the setting meets the definition of a child care home, determine if the provider meets all other eligibility criteria. If the setting **does not** meet the definition of a child care home, the provider is not eligible to care for children at that location.

People who have a founded child abuse record or criminal conviction cannot legally provide child care or get Child Care Assistance (CCA) payments, unless the Department finds through an evaluation of the records that the person is eligible to provide child care. This requirement also applies to people age 14 or over who live in the home of the provider or have access to a child when the child is alone.

The Department checks these records before licensing or certifying registration of a child care provider. However, providers who provide care for five children or less are not required to register with the state.

Any person who provides child care services to a CCA recipient, and anyone age 14 or over who lives in that home or has access to a child when the child is alone, must have successfully completed criminal, sex offender, and child abuse record checks.

DHS staff follow four steps to obtain approval to pay nonregistered providers. (PROMISE JOBS staff complete only steps one, two, and three.)

1. Check to see if the family's chosen provider is already an approved nonregistered provider by accessing Day Care Provider Display (DCPD) screens. See 14-H, [\*CHILD CARE PROVIDER DISPLAY \(DCPD\) SYSTEM\*](#).

The DCPD screens provide information about what type of provider the family has chosen, and whether the provider has signed a *Child Care Assistance Provider Agreement*.

2. If the provider has not yet been approved as a nonregistered provider for the CCA program, issue the following to the provider, with instructions to return the forms to your office:
  - ◆ Pamphlet Comm. 95 or Comm. 95(S), *Minimum Health and Safety Requirements for Nonregistered Child Care Home Providers*.
  - ◆ Form 470-2890, *Payment Application for Nonregistered Providers*.
  - ◆ Form 595-1489 or 595-1489(S), *Non-Law Enforcement Record Check Request Form A* (one form for each person over age 13 who lives in the household or has access to the children in care).
  - ◆ Form 470-3871, *Child Care Assistance Provider Agreement*.
  - ◆ A self-addressed-stamped-envelope.
3. Once these forms are received, complete forms 470-0643, *Request for Child Abuse Information*, for the same people listed on form 595-1489 or 595-1489(S) and form 595-1494, *Non-Law Enforcement Record Check Billing Form*. See [\*Criminal and Child Abuse Record Checks\*](#) for procedures. See [\*6-Appendix\*](#) for instructions on these forms.
4. DHS staff finish the provider approval process by:
  - ◆ Obtaining the results of the background, sex offender, and abuse checks,
  - ◆ Approving or denying the *Child Care Assistance Provider Agreement*, and
  - ◆ Providing PROMISE JOBS workers with information as necessary.

NOTE: If the DCPD system indicates that the provider already has a *Child Care Assistance Provider Agreement* on file, it is not necessary to fill out new forms or to complete new background and abuse checks. Send copies of the form to the requester as needed.

Nonregistered in-home care and child care home providers must sign and return forms 470-2890, 470-3871, and 595-1489 or 595-1489(S) to the local DHS office and pass the criminal, sex offender, and child abuse record checks before payment will be made.

Signature on form 470-2890, *Payment Application for Nonregistered Providers*, certifies the provider's understanding of and compliance with the conditions and requirements for nonregistered providers. These include:

- ◆ Minimum health and safety requirements.
- ◆ Limits on the number of children for whom care may be provided.
- ◆ Unlimited parental access to the child during hours when care is provided.
- ◆ Conditions that warrant nonpayment.
- ◆ Prohibitions on persons who have been convicted of a crime or have a founded and registered child abuse providing child care.

The provider shall complete form 470-2890:

- ◆ When applying for payment for the first time (new),
- ◆ Every 24 months for renewal, and
- ◆ When there is a change in the information provided on the form (name, address, household composition).

Nonregistered providers must renew their CCA authorization every 24 months. The entire provider approval process described above must be completed again. This means nonregistered providers must complete a new *Child Care Assistance Provider Agreement, Payment Application for Nonregistered Providers*, and have new background and abuse checks done.

Make sure the provider and the client understand that CCA payment will be issued only after the record checks are returned as all clear, or until DHS completes the evaluation and gives permission for the person to provide child care.

If the client chooses to place the children with the provider before all record checks are complete, and the provider is not approved for payment, it is the client's responsibility to pay the provider for child care.

NOTE: The effective date of provider eligibility for payment will be based upon the client's application date. This means that once a provider is determined eligible for payment by DHS, they may be paid for child care provided retroactively to the effective date of the clients' eligibility.

1. Mr. and Mrs. A apply for Child Care Assistance (CCA) on July 23, 2007. They indicate they will be using a registered provider, ABC Child Care. Child care staff send ABC Child Care a *Child Care Assistance Provider Agreement* to complete. The *Child Care Assistance Provider Agreement* is returned to DHS on July 30, 2007.

ABC Child Care is approved to be a CCA provider on August 13, 2007. The effective date of the *Provider Agreement* will be July 23, 2007, the day Mr. and Mrs. A applied for CCA.

2. Same scenario as Example 1, except that Mr. and Mrs. B indicate they have been using a registered provider, ABC Child Care, since May 19, 2007.

ABC Child Care is approved to be a CCA provider on August 13, 2007. The effective date of the *Provider Agreement* will be July 23, 2007, the day Mr. and Mrs. A applied for CCA. Any care provided between May 19 and July 23, 2007, must be paid by Mr. and Mrs. B.

3. Mr. and Mrs. C apply for CCA on July 23, 2007. They indicate they will be using a nonregistered provider, XYZ Child Care. Child care staff send XYZ Child Care a *Payment Application for Nonregistered Providers*, *Record Check Request*, Comm. 95, and *Provider Agreement* to complete. These forms are returned to DHS on July 30, 2007.

Once background and abuse checks are completed, XYZ Child Care is approved to be a CCA provider on August 22, 2007. The effective date of the *Child Care Assistance Provider Agreement* will be July 23, 2007, the day Mr. and Mrs. C applied for CCA.

### **Criminal and Child Abuse Record Checks**

Within two working days after receiving the forms from the prospective provider, process criminal and child abuse record checks as follows:

- ◆ **DHS:** Send form 470-0643, *Request for Child Abuse Information*, to the county DHS worker who is responsible for checking the ACAN and STAR systems, and send the following forms to the Division of Criminal Investigation (DCI):
  - 595-1489 or 595-1489(S), *Non-Law Enforcement Record Check Request Form A*.
  - 595-1494, Non-Law Enforcement Record Check Billing Form.
- ◆ **PROMISE JOBS:** Send all forms (470-2890, 470-3871, 470-0643, 595-1494, or 595-1489(S) and 595-1489) to the DHS local office. DHS will:
  - Forward form 470-0643 to the worker responsible for checking the ACAN and STAR systems and
  - Forward forms 595-1489 or 595-1489(S) and 595-1494 to DCI.

Complete a separate form 595-1489 or 595-1489(S), *Non-Law Enforcement Record Check Request Form A*, for **each last name** which needs to be checked, including maiden names and previous married names. This includes the provider, each person in the provider's household who is aged 14 or over, and anyone who has access to a child when the child is alone.

NOTE: If the provider goes into the child's own home (an in-home provider), do the background checks on the provider, but not on the provider's family, unless the provider's family members will have contact with the children.

Send the *Non-Law Enforcement Record Check Request Form A* to DCI along with form 595-1494, *Non-Law Enforcement Record Check Billing Form*. If you send several *Requests* at the same time, send only one *Billing Form*. (If you send *Requests* without a billing form, DCI will return them, as incomplete.)

When the criminal records check is completed, DCI will return the form **by regular mail** to the local DHS office shown in the upper right corner of the form, under "From: \_\_\_\_\_". (You may submit forms to DCI by regular mail OR by fax, but they are returned by regular mail ONLY.)

Once the abuse check is completed, the designated county DHS worker returns form 470-0643 to the DHS Child Care Assistance worker.

Check the Sex Offender Registry for all individuals listed on the *Non-Law Enforcement Record Check Request Form A*, form 595-1489 or 595-1489(S), as follows:

- ◆ Access the Sex Offender Registry at: [www.iowasexoffender.com](http://www.iowasexoffender.com).
- ◆ Enter the person's last name:
  - Select ALL under "county." Do not choose a specific county.
  - Select SEARCH.
- ◆ If the search shows a conviction that occurred in Iowa, check the DCI form to make sure this conviction also appears there.
- ◆ If the search shows a conviction that occurred outside Iowa, add this conviction to the letter that is sent with form 470-2310, *Record Check Evaluation*.

When all of the record checks have been returned and all are clear, proceed with approving the *Child Care Assistance Provider Agreement*. (If PROMISE JOBS is approving the child care case, inform PROMISE JOBS staff whether the provider is approved, and if so, provide PROMISE JOBS staff with a copy of the completed *Child Care Assistance Provider Agreement*, form 470-3871.)



If any record check is returned showing a criminal conviction, a founded and registered child abuse, or placement on the Sex Offender Registry, send that information to the team that does the evaluations for registered child care homes and licensed child care centers. (This team varies between service areas.)

The team will notify the DHS CCA worker of the results of the evaluation. If the evaluation is returned stating the person is not permitted to provide child care, or is not permitted to reside in a child care home, the provider **is not eligible** for payment by the CCA program.

The DHS or PROMISE JOBS worker sends form 470-3915, *Notice of Decision: Child Care Assistance*, informing the person that the person is not eligible for payment of child care services using public funds or is not permitted to reside in a home providing such child care.

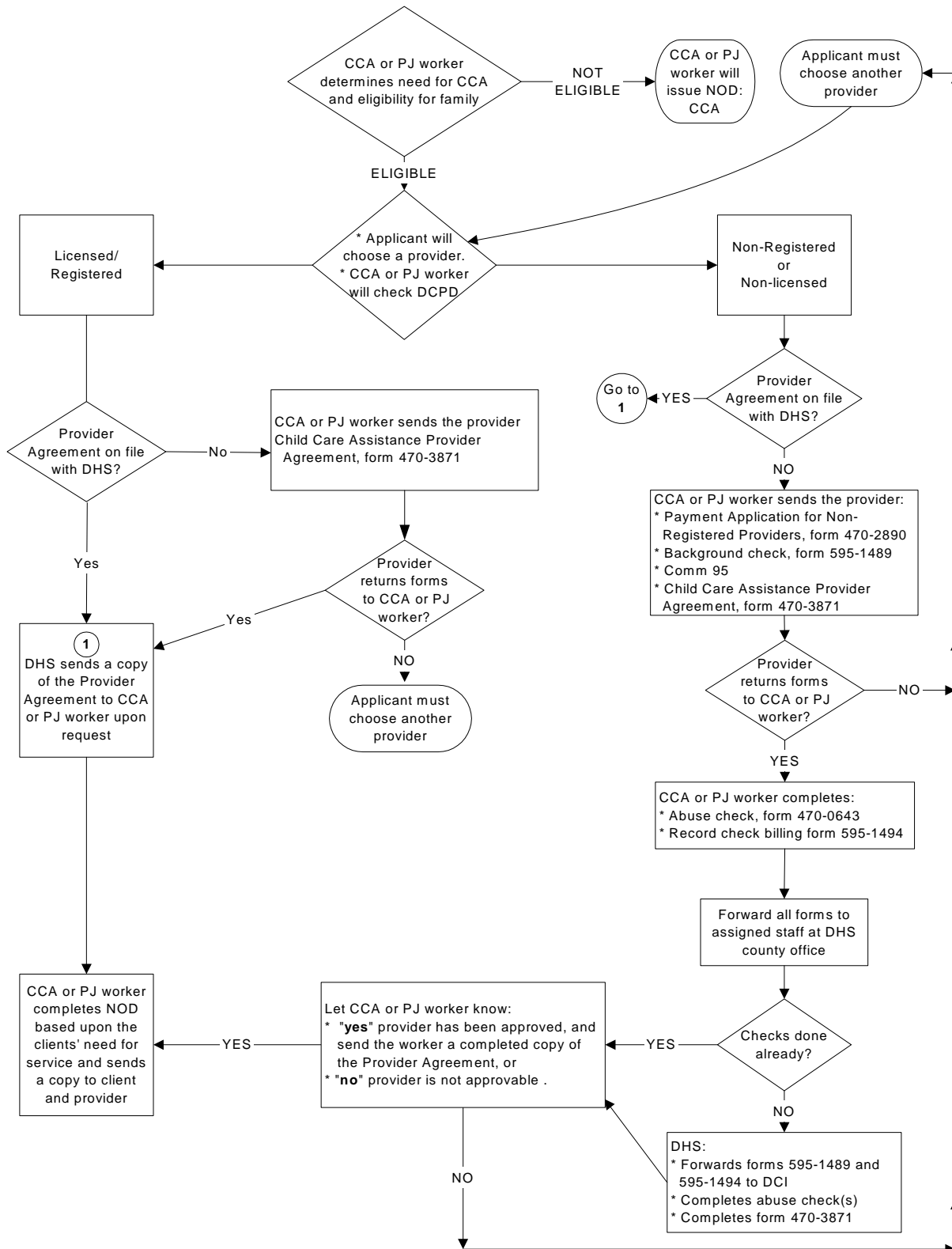
This notice should state that the person is prohibited from providing any child care or residing in any home that provides child care. Use Iowa Code Section 237A.5 and 441 Iowa Administrative Code 170.4(3) "h" as the legal reference. (Approved language and legal references for the notice are accessible on the template for form 470-3915.)

Send a copy of the notice to the county attorney and to the DHS central office designee for the CCA program in the Division of Financial, Health and Work Supports.

Also, notify the client that although the client is eligible for CCA, the provider selected is not approved due to not meeting health and safety requirements, so the client must choose another provider.

The flowchart on the following page outlines the CCA eligibility determination process and form flow described above.

### CCA Provider Eligibility Determination Process & Form Flow



### **Adding a Provider to the Purchase of Service (POS) System**

Add a provider to the Purchase of Service (POS) system when a new *Child Care Assistance Provider Agreement* is received. If the local office is unable to approve the *Child Care Assistance Provider Agreement* because they are waiting for background checks to be completed, enter \$1.00 in the provider's infant rate field. This will prevent any payments from being issued until the background checks are completed.

When the background checks are completed and the provider is approved, change the provider rate field to reflect the provider's actual rate. If the background checks indicate the provider can't be approved, remove the provider from the POS system.

### **Removing a Provider From the Purchase of Service (POS) System**

**Legal reference:** 441 IAC 170.4(3)

Remove providers from the POS system when they fail to renew their *Child Care Assistance Provider Agreement*. The fact that a provider is no longer eligible to serve children under the Child Care Assistance (CCA) program does not affect the provider's licensing or registration status.

Also remove providers from the POS system when they lose CCA eligibility because:

- ◆ Their registration or licensure has been denied or revoked,
- ◆ They fail to pass background or abuse checks, or
- ◆ They fail to meet minimum health and safety standards.

Do not remove a provider until all appeals have been resolved and all claims have been processed. (You will need to communicate with the licensing worker on the status of any appeal when licensure or registration is denied or revoked.) For system instructions, see 14-L, [ADDING, CHANGING OR DELETING CONTRACTS OR AGREEMENTS](#).

## **Establishing Payment Rate**

**Legal reference:** 441 IAC 170.4(7)

Child Care Assistance (CCA) payment rates are based on a half-day unit of service. The child care rate tables for basic and special needs care (see [Maximum Payment Rates](#)) represent statewide maximum rate ceilings derived from a market rate survey of child care providers.

Payment policies are organized into the following sections:

- ◆ [Method for calculating a half-day rate](#)
- ◆ [Maximum payment rates](#)
- ◆ [Days of absence](#)
- ◆ [Multiple children in a family](#)
- ◆ [Limits on payment](#)
- ◆ [Appeal of rate calculation](#)

### **Method for Calculating a Half-Day Rate**

To establish the provider's rate of payment, first determine if the provider already has a rate with the Department. Verify the rate by checking the POSP screen of the Purchase of Service (POS) system. Records can be accessed by provider number, name, or county. Refer to 14-L, [PROVIDER DATA Screen](#), or the POS system HELP screen for instructions.

PROMISE JOBS workers should request a copy of the *Child Care Assistance Provider Agreement*, form 470-3871, from the Department (DHS). If the selected provider does not have a provider agreement with DHS, follow the steps listed under [Nonregistered Providers](#).

There may be circumstances when a provider does not have a rate. Examples:

- ◆ A provider who has never provided services to a child whose care is subsidized by the Department.
- ◆ A provider who has a rate for one age group, but is now expanding to cover additional age groups.

Based on the information submitted on form 470-3871, *Child Care Assistance Provider Agreement*, determine whether the provider has a half-day rate. If the provider does not have a half-day rate:

- ◆ Calculate a half-day rate by dividing the provider's full-day rate by 2, or
- ◆ If the provider has neither a half-day nor full-day rate, calculate a half-day rate by multiplying the provider's hourly rate by 4.5.
- ◆ If the provider does not have a half-day, full-day or hourly rate, calculate the half-day rate by dividing the provider's weekly rate by 5 to get a daily rate and then dividing this daily amount by 2 to get the half-day rate.

Use this method for establishing the half-day rate for basic and special needs care. However, refer to [Special Needs Rate](#) for the conditions that must be met before the special needs rate can be approved.

Approve the half-day rate providing the following policies are met:

- ◆ No rate can be approved that is above the maximum rate applicable to the type of care, the provider, and the age group.
- ◆ No rate can be approved that exceeds the rate the provider charges a private pay individual.
- ◆ No more than one rate is approved per provider for each age group for basic and for special needs care.

EXCEPTION: In-home care is paid at the minimum wage amount. The half-day unit rate for all in-home care providers must be \$36.25 (the current hourly minimum wage rate of \$7.25 times five hours).

### **Maximum Payment Rates**

The following definitions apply in the use of the rate tables:

**"Child care center"** means a licensed child care center or a child care facility exempt from licensing or registration (a child care program operated by or under contract to a public or nonpublic school accredited by the Department of Education).

**"Registered child development home"** means a person or program that has received a certificate of registration from the state to provide child care to six or more children at any one time.

**"Nonregistered child care home"** means a family child care home caring for five or fewer children (including relative care) that is not registered with the state.

**"Infant and toddler"** means a child aged two weeks to two years.

**"Preschool"** means a child aged two years to kindergarten ("school aged").  
Approve preschool rates for summer hours before kindergarten classes begin.

**"School aged"** means a child in attendance in full-day or half-day classes, including kindergarten.

### **Basic Care Rate**

**Legal reference:** 441 IAC 170.4(7)"a"

The maximum rate of payment by age of child and type of provider for a half-day of basic care is shown in Table I that follows:

<b>Table I. Half-Day Rate Ceilings for Basic Care</b>				
Age Group	Child Care Center	Child Development Homes:		Nonregistered Family Home
		Category C	Category A or B	
Infant and Toddler	\$15.81	\$11.73	\$12.24	\$8.19
Preschool	\$12.75	\$11.48	\$11.48	\$7.19
School Aged	\$11.48	\$10.20	\$10.20	\$7.36

### **Special Needs Rate**

**Legal reference:** 441 IAC 170.4(7)"a"

The maximum rate of payment by age of child and type of provider for a half-day of special needs care is shown in Table II below:

<b>Table II. Half-Day Rate Ceilings for Special Needs Care</b>				
Age Group	Child Care Center	Child Development Homes:		Nonregistered Family Home
		Category C	Category A or B	
Infant and Toddler	\$48.96	\$12.63	\$16.07	\$10.24
Preschool	\$28.69	\$12.63	\$14.92	\$ 8.99
School Aged	\$28.60	\$11.48	\$13.77	\$ 9.20

Approve a special needs rate only when you have received documentation from the parent that the child meets the requirements for a special needs rate, and the provider has supplied the required documentation. The documentation must substantiate both of the following:

- ◆ A qualified professional has assessed the child to meet the definition of a “child with special needs.” (See [Documenting Special Needs.](#))
- ◆ The child care provider is responding to those special needs with (but not limited to) adaptive equipment, more careful supervision, or special staff training.

NOTE: Child care funds are for child care services and not for specialized services provided during the program day. Do not approve a special needs rate for therapeutic services that are provided in the child care setting. This includes, but is not limited to, services such as speech, hearing, physical and other therapies; individual or group counseling; therapeutic recreation; and crisis intervention.

A child care provider serving a child determined eligible for protective child care services may receive payment up to the special needs rate, providing that child also meets the definition for a “child with special needs” and the required documentation has been secured.

### **In-Home Rate**

**Legal reference:** 441 IAC 170.4(7)“d”

In-home care is always paid at the minimum wage amount. At the current rate of \$7.25 an hour, this calculates to a half-day rate of \$36.25. There is no “special needs” rate for in-home providers.

The in-home half-day unit rate is not a per-child amount. It is the maximum amount paid for all of the children in a family receiving in-home care.

NOTE: Approve in-home care only when the family has three or more children who require child care services. See [Eligible Providers](#) for a complete description of the limits on in-home care.

Under the *Child Care Assistance Provider Agreement*, the provider has the status of an independent contractor. If parents wish to discuss any obligations they may have regarding taxes on payment to the in-home care provider, refer them to the appropriate agencies, including the Social Security Administration and the Internal Revenue Service.

### **Days of Absence**

**Legal reference:** 441 IAC 170.4(7) "b"

Payment may be made to a provider for a child not in attendance at the child care facility not to exceed four days per calendar month, providing that the child is regularly scheduled on those days and the provider also charges a private individual for days of absence.

This does not mean that providers automatically get four extra days paid per month. It does mean that a provider may charge for a normally scheduled day (up to four) if the child is absent from care on that day.

1. Ms. A normally works Monday through Friday, eight hours per day. Therefore, her children are regularly scheduled to attend child care Monday through Friday for two units each day. However, during June the family was out-of-town for one week for vacation, so the children were not in child care. The provider can bill four days of absence for that week.
2. Mr. B normally works on Monday, Wednesday, and Friday, ten hours per day. Therefore, his children are regularly scheduled to attend child care these three days. During July, the family takes a one-week vacation. The provider can bill three days of absence for the week the children were not in care.
3. Mrs. C normally works Tuesday through Saturday, seven hours per day. Mr. C normally works Monday through Friday, eight hours per day. The children are regularly scheduled to attend child care Tuesday through Friday. In May, the Memorial Day holiday occurs on Monday. Since this is not a day the children are regularly scheduled to be in care, the provider cannot bill this day as a day of absence.



If a child care provider is closed during a holiday, and a family must use a backup child care provider, it may be acceptable for the primary provider to bill the CCA program for the holiday as a day of absence. When the provider bills private pay parents for the holiday then it is acceptable for them to bill the Department as a day of absence. In this situation it would be appropriate to pay two providers for the same clock time. If the provider does not bill private pay parents for the holiday, it is not acceptable for the provider to bill the Department as a day of absence. See [Limits on Payment](#).

If a child care provider is closed because they are unavailable to provide care (they are ill or on vacation) and a family must use a backup provider, it is not acceptable for the primary provider to bill the CCA program as a day of absence. This is because the CCA program can only pay a provider for the absence of a child who is normally in care, not for the absence of the provider.

Providers cannot bill for days of absence after care ends. Once care ends, there are no more regularly scheduled days for the child to be absent from care.

1. Mr. D normally works on Monday, Wednesday, and Friday, ten hours per day. Therefore, his children are regularly scheduled to attend child care these three days. The regular child care provider will be closed on New Year's Day, Monday, January 1, 2007, but Mr. D is scheduled to work and must use a backup provider for that day. The regular child care provider does not charge private pay families for the holiday.

The regular provider **cannot** bill the Child Care Assistance (CCA) program for the day of absence for New Year's Day, because CCA must pay for the backup provider.

2. Ms. B normally works Monday through Friday, eight hours per day. Therefore, her children are regularly scheduled to attend child care on these days. The regular child care provider will be closed on Labor Day, Monday, September 4, 2006, but Ms. B has to work and must use a backup provider. The regular child care provider charges private pay parents for the holiday.

The regular provider can bill the CCA program for a day of absence for Labor Day.

3. Mrs. E normally works Tuesday through Saturday, seven hours per day. Mr. E normally works Monday through Friday, eight hours per day. The children are regularly scheduled to attend child care Tuesday through Friday. The regular child care provider will be closed on New Year's Day, Wednesday, January 1, 2003.

Neither parent will be scheduled to work on New Year's Day, so the provider will be able to bill this day as a day of absence.

### **Multiple Children in a Family**

**Legal reference:** 441 IAC 170.4(7)“c”

When a provider reduces the charges for the second or more children in a family with multiple children whose care is unsubsidized, reduce the rate of payment made by the Department similarly. See [Authorizing Services](#) for direction on completing the *Child Care Assistance Provider Agreement* when this happens.

### **Limits on Payment**

**Legal reference:** 441 IAC 170.4(7)“e”

Do **not** approve payment for child care provided out of state. See [Eligible Providers](#).

Do **not** approve payment for nonregistered providers until the *Non-Law Enforcement Record Check Request*, 595-1489 or 595-1489(S), and the *Request for Child Abuse Information*, 470-0643, are returned as all clear, or until the evaluation is completed and gives permission for the person to provide child care.

Do **not** count the hours that a student spends studying when determining the units needed to attend school.

Do **not** approve a separate payment for transportation. Child Care Assistance (CCA) can be paid for travel time only between the child care provider's home and the parent's place of employment or school. There is no limit on travel time. Count the actual daily travel time of the parent. Accept the parent's statement unless there is reasonable doubt as to the validity of the travel time claimed.

Do **not** approve special needs payment for therapeutic services that are provided in the child care setting. These include (but are not limited to) services such as:

- ◆ Speech, hearing, physical, and other therapies.
- ◆ Individual or group counseling.
- ◆ Therapeutic recreation.
- ◆ Crisis intervention.

Do **not** approve payment to two providers for the same clock time **except** when the primary provider is closed for a holiday and charges private pay families for the day. In this situation, the primary provider can be paid for a day of absence and the backup provider can be paid for providing care.

### **Appeal of Rate Calculation**

**Legal reference:** 441 IAC 170.4(7)“f”

A provider who is in disagreement with the calculation of the half-day unit rate may request a review. Instruct the provider to send a written request for review to the Department service area manager within 15 calendar days of notification of the rate. The request should identify the specific rate in question and the methodology used by the provider to calculate the rate.

The service area manager will provide a written response within 15 calendar days of receipt of the request. When dissatisfied with the response, the provider may request a review by the chief of the Bureau of Financial and Work Supports within 15 calendar days of the response.

Instruct the provider to submit the original request, the response received, and any additional information desired to the bureau chief. The bureau chief will render a decision in writing within 15 calendar days of receipt of the request.

The provider may appeal that decision to the director of the Department or the director's designee within 15 calendar days of the decision. The director or designee will issue the final Department decision within 15 calendar days of receipt of the request.

NOTE: Rate ceilings found in [Maximum Payment Rates](#) cannot be appealed.

### **Authorizing Services**

The policies and procedures for authorizing Child Care Assistance (CCA) are organized into the following sections:

- ◆ [Unit of service](#)
- ◆ [Fee schedule](#)
- ◆ [Child Care Assistance Provider Agreement](#)
- ◆ [Notice of Decision: Child Care Assistance](#)
- ◆ [Case plan](#)
- ◆ [SRS entry](#)

### **Unit of Service**

**Legal reference:** 441 IAC 170.1(237A), 170.4(2)

**Policy:** The unit of service is a half day, which is defined as up to five hours of service during a 24-hour period. The number of units of service approved each day is based on the hours the parent performs an activity that meets the definition of a need for service including travel time.

“Actual travel time” includes the time spent between the child care facility and the place of employment or training. For in-home care, actual travel time includes the time spent between home and the place of employment or training.

**Procedure:** Interview the parent by phone or face to face to determine the time needed for the parent to work, attend training, look for work, or for sleep time during daytime hours.

Use the training or employment schedule of the parent and the actual travel time to determine the number of half-day units needed per day.

When a parent meets more than one need for service, combine the daily school and work schedules of the parent and actual travel time to determine the number of half-day units needed. See [Multiple Needs for Service](#) for further information.

When determining total units needed for a parent who requests sleep time during daytime hours, consider if the parent is requesting child care be paid during the time the parent is working. If the parent is requesting units for both work time and sleep time, one unit of care may be approved for sleep time. If the parent is requesting units for sleep time only, two units of care may be approved.

**Comment:** You need this information to calculate the total daily and weekly units the parent needs in order to complete the *Notice of Decision: Child Care Assistance*. See [Notice of Decision: Child Care Assistance](#) for further information.

1. Ms. S is a full-time student with an 18-month-old daughter. She attends classes three days per week from 11:00 a.m. to 2:00 p.m. and two days per week from 9:00 a.m. to 11:00 a.m. Including actual travel time, she is approved for one half-day unit for each of the five workdays that she is in classes. Her estimated weekly usage is five half-day units.

2. Ms. T is a full-time student with a three-year-old daughter. She attends classes three days per week from 9:00 a.m. to 3:00 p.m. and two days per week from 9:00 a.m. to 4:00 p.m. Her class schedule looks like this:

M – W – F:	9 – 10 a.m.	T – Th:	9 – 11 a.m.
	10 – 11 a.m.		2 – 4 p.m.
	1 – 2 p.m.		
	2 – 3 p.m.		

Including actual travel time, Ms. T is approved for two half-day units for each day that she is in classes. Her estimated weekly usage is ten half-day units.

3. Ms. W is a full-time student with a two-year-old son. She attends classes three days per week from 9:00 a.m. to 11:00 a.m. and five days per week from 6:00 p.m. to 8:00 p.m. Her class schedule looks like this:

M – W – F:	9 – 10 a.m.	T – Th:	6 – 8 p.m.
	10 – 11 a.m.		
	6 – 8 p.m.		

Including actual travel time, Ms. W is approved for two half-day units on Monday, Wednesday, and Friday, and one half-day unit on Tuesday and Thursday. Her estimated weekly usage is 8 half-day units.

4. Mr. X is a full-time student with a four-year-old son. He attends classes five days per week from 9:00 a.m. to 10:00 a.m. and from 6:00 p.m. to 8:00 p.m. His class schedule looks like this:

M – W – F:	9 – 10 a.m.	T – Th:	9 – 10 a.m.
	6 – 8 p.m.		6 – 8 p.m.

Including actual travel time, Mr. X is approved for one half-day unit on each day he is in classes. His estimated weekly usage is five half-day units.

5. Ms. S, the full-time student in Example 1, has accepted a retail job where she is scheduled weekdays from 5:00 p.m. to 9:00 p.m. and Saturday from 8:00 a.m. to 4:00 p.m.

The hours of care needed on days when Ms. S attends classes from 11:00 a.m. to 2:00 p.m. and works from 5:00 p.m. to 9:00 p.m., including actual travel time, total nine. The hours of care needed for the two days she attends classes from 9:00 a.m. to 11:00 a.m. and works from 5:00 p.m. to 9:00 p.m., including actual travel time, total eight. The hours of care needed to work on Saturday total nine.

Ms. S is approved for two half-day units for each of the five weekdays that she is in class and works and two half-day units for Saturday. Her estimated weekly usage is 12 half-day units.

**Procedure:** When a change in schedule occurs that does not affect the number of half-day units already approved, it is not necessary to amend the *Notice of Decision: Child Care Assistance* to reflect the new work or school schedule.

Supervisory approval is required when more than two units are approved per 24-hour period, up to a maximum of four units. Document the explanation of the number of units needed for service in the case file.

1. Mr. J is employed full time and requires care for his two children, ages 4 years and 16 months. He works from 7:30 a.m. to 4:00 p.m. He has arranged for care for both children with a registered child development home provider. He also wants to enroll his 4-year-old in preschool three mornings a week from 9:00 a.m. until 11:30 a.m.

The worker uses Mr. J's work schedule plus actual travel time to determine the units of service and approves two half-day units per child per workday.

The worker is not able to approve a third half-day unit for the 4-year-old to attend preschool, because the third unit is not required for Mr. J to remain employed. Also, approving a third unit would mean payment would be made to two providers for the same period of time.

2. Ms. K is employed full time and works 11:00 p.m. to 7:00 a.m. Monday through Friday. She has 2 children, ages 2 years and 4 years. Ms. K requests child care to allow her to sleep during the daytime hours after returning home from work. Ms. K is not charged for child care during the time she is employed.

Ms. K is approved for two half-day units for each day after she works a night shift (Tuesday through Saturday) to allow her to sleep.

3. Mr. B is employed and works 11:00 p.m. to 7:00 a.m. Monday through Friday and Mrs. B is employed 8:00 a.m. to 4:30 p.m. Monday through Friday. They have one child, age 2. There is no need for child care while Mr. B works because Mrs. B is home with the child.

The family is approved for two half-day units Tuesday through Friday to allow Mr. B to sleep after he works a night shift and to allow Mrs. B to work. There is not a need for units on Saturday because Mrs. B is home with the child.

4. Mr. C is employed and works 11:00 p.m. to 7:00 a.m. Monday through Friday. Mr. C has three children, ages 1, 3, and 4. Mr. C needs child care for both work time and sleep time.

Mr. C is approved for two half-day units for the time he is employed and one half-day unit to allow him to sleep after returning home from work.

When before- and after-school care is required for a school-aged child, count the total number of hours needed in the 24-hour period and then convert the total hours to the number of half-day units needed.

Ms. M is a working single parent with a two-year-old who requires a full day of child care and two school-age children who require before- and after- school care. Her work hours are 8:00 a.m. to 4:30 p.m. She drops her children off at the provider's home on her way to work.

The school-age children are in care in the morning from 7:40 a.m. until almost 9:00 a.m., when the provider takes them to school. The two-year-old remains in the provider's care for the entire day. The provider picks the school-age children up after school and provides care from 3:15 p.m. until almost 5 p.m.

The M family is approved for the following half-day units:

- ◆ Two half-day units per workday for the two-year-old;
- ◆ One half-day unit per workday for each school-age child.

The M family is approved for a total of four half-day units per workday.

When a family is using multiple providers in the same day it may be appropriate to pay more units than approved on the *Notice of Decision: Child Care Assistance*.

Ms. B is a full time student with a 2-year-old daughter. She attends classes five days per week. Her class schedule looks like this:

M-W-F:	11-2 p.m.	T-Th	9-10 a.m.
			7:30-9:00 p.m.

Including actual travel time, she is approved for one half-day unit per day Monday through Friday.

Ms. B uses a child care center for care during the daytime class hours Monday through Friday and a nonregistered provider for the evening class hours on Tuesday and Thursday. She uses two providers on Tuesday and Thursday. Do not split a unit of care between providers. Each provider will be paid one unit for the child care services provided.

### **Fee Schedule**

**Legal reference:** 441 IAC 170.4(2)

Assess a fee for each half-day unit of service. **EXCEPTION:** Do not assess a fee to:

- ◆ Families at or below 100% of the federal poverty guidelines (income level A in the fee schedule).
- ◆ Recipients of FIP and participants in approved PROMISE JOBS activities.
- ◆ Families where services are provided without regard to income due to protective needs.

When more than one child in a family is receiving services, base the fee on the child who receives the most units of service. Do not assess an additional fee for each child.

Assess the amount of the fee by determining the gross monthly income according to family size. Use the same dollar amount that was calculated when determining eligibility. Include documentation in the case file to support the fee.

To use the sliding fee schedule:

1. Move across the monthly income table to the column headed by the number of people in the family that was used in determining eligibility.
2. Move down that column for family size to the first row with an amount greater than the monthly family income. Use the row above that row to determine the fee amount.
3. Move across that row and choose the fee that corresponds to the number of children that need care.
4. When a family has more than ten members, find the income levels by multiplying the figures in the 4-member column by 0.03. Round the answers to the nearest dollar and multiply by the number in the family in excess of ten. Add the result to the amount in the 10-member column.

- |   |
|---|
| <ol style="list-style-type: none"><li>1. Family D has two members, monthly income of \$1,150, and <b>one</b> child in care. Family D's income is above the Level A amount but less than the Level B amount. Family D pays \$0.00 fee for each unit of child care.</li></ol> |
|---|



2. Family F has three members, monthly income of \$1,470, and **two** children in care. Family F's income is above the Level B amount but less than the Level C amount. Family F pays \$0.45 fee for each unit of child care that the child who receives the most units uses.
3. Family G has three members, monthly income of \$1,470, and **one** child in care. Family G's income is above the Level B amount but less than the Level C amount. Family G pays \$0.20 fee for each unit of child care.

Level	Monthly Income According to Family Size										Unit Fee Based on Number of Children in Care		
	1	2	3	4	5	6	7	8	9	10	1	2	3 or more
A	824	1109	1394	1679	1964	2249	2534	2819	3104	3389	\$0.00	\$0.00	\$0.00
B	867	1167	1467	1767	2067	2367	2667	2967	3267	3567	0.20	0.45	0.70
C	891	1200	1508	1816	2125	2433	2742	3050	3358	3667	0.45	0.70	0.95
D	916	1232	1549	1866	2183	2500	2816	3133	3450	3767	0.70	0.95	1.20
E	941	1267	1593	1918	2244	2570	2895	3221	3547	3872	0.95	1.20	1.45
F	967	1301	1636	1970	2305	2640	2974	3309	3643	3978	1.20	1.45	1.70
G	994	1338	1682	2026	2370	2713	3057	3401	3745	4089	1.45	1.70	1.95
H	1021	1374	1728	2081	2434	2787	3141	3494	3847	4200	1.70	1.95	2.20
I	1050	1413	1776	2139	2502	2865	3229	3592	3955	4318	1.95	2.20	2.45
J	1078	1451	1824	2197	2570	2943	3316	3690	4063	4436	2.20	2.45	2.70
K	1108	1492	1875	2259	2642	3026	3409	3793	4176	4560	2.45	2.70	2.95
L	1139	1532	1926	2320	2714	3108	3502	3896	4290	4684	2.70	2.95	3.20
M	1170	1575	1980	2385	2790	3195	3600	4005	4410	4815	2.95	3.20	3.45
N	1202	1618	2034	2450	2866	3282	3698	4114	4530	4946	3.20	3.45	3.70
O	1236	1664	2091	2519	2947	3374	3802	4230	4657	5085	3.45	3.70	3.95
P	1270	1709	2148	2588	3027	3466	3905	4345	4784	5223	3.70	3.95	4.20
Q	1305	1757	2208	2660	3112	3563	4015	4466	4918	5370	3.95	4.20	4.45
R	1341	1805	2269	2732	3196	3660	4124	4588	5052	5516	4.20	4.45	4.70
S	1378	1855	2332	2809	3286	3763	4240	4717	5193	5670	4.45	4.70	4.95
T	1416	1906	2396	2885	3375	3865	4355	4845	5335	5825	4.70	4.95	5.20
U	1455	1959	2463	2996	3470	3973	4477	4981	5484	5988	4.95	5.20	5.45
V	1495	2012	2530	3047	3564	4082	4599	5116	5634	6151	5.20	5.45	5.70
W	1537	2069	2601	3132	3664	4196	4728	5260	5791	6323	5.45	5.70	5.95
X	1579	2125	2671	3218	3764	4310	4857	5403	5949	6495	5.70	5.95	6.20
Y	1623	2185	2746	3308	3869	4431	4993	5554	6116	6677	5.95	6.20	6.45
Z	1667	2244	2821	3398	3975	4552	5128	5705	6282	6859	6.20	6.45	6.70
AA	1714	2307	2900	3493	4086	4679	5272	5865	6458	7051	6.45	6.70	6.95
BB	1761	2370	2979	3588	4197	4807	5416	6025	6634	7243	6.70	6.95	7.20

### **Nonpayment of Fees**

**Legal reference:** 441 IAC 170.4(2), 170.5(3)

The provider is responsible for collecting fees and maintaining records of fees collected. Those records must be available for audit by the Department or its representative.

When a parent does not pay the fee, the provider must demonstrate that a reasonable effort has been made to collect the fee. Reasonable effort means an original billing and two follow-up notices of nonpayment.

Child Care Assistance (CCA) may be terminated when the Department determines that no payment or partial payment of fees has been received within 30 calendar days following the issuance of the last billing.

Terminate services unless the client establishes inability to pay. (See [Inability to Pay Fees](#).) Notify the client of any adverse action using form 470-3915, *Notice of Decision: Child Care Assistance*.

### **Inability to Pay Fees**

**Legal reference:** 441 IAC 170.4(2)

When the family continues to need service but reports the inability to pay the fee, assess the family's situation and verify whether it is due to the existence of one or more of the following conditions:

- ◆ Extensive medical bills for which there is no payment through Medicaid, Medicare, or other insurance coverage.
- ◆ Shelter costs in excess of 30% of the household income.
- ◆ Utility costs, not including the cost of a telephone, in excess of 15% of the household income.
- ◆ Additional expenses for food resulting from diets prescribed by a physician.

If one or more of the above conditions exist, continue services without a fee until the condition no longer exists and the family is able to participate in the current cost of service. Document nonpayment and the inability to pay in the case record.

Assess each "inability to pay" case to determine whether the family can be charged a reduced fee. Charge the reduced fee until full participation in fees is possible.

### **Child Care Assistance Provider Agreement**

**Legal reference:** 441 IAC 170.4(7)

The *Child Care Assistance Provider Agreement*, form 470-3871, is the agreement between the child care provider and the Department. The same agreement is used for all Child Care Assistance (CCA) authorized through the Department or through Iowa Workforce Development (IWD) for PROMISE JOBS.

If the chosen provider does not already have an agreement on file, issue form 470-3871 to the provider or parent to secure the provider's signature.

In the agreement, the provider agrees to accept payment through the Department's payment system and not to request additional payment from the parent, except for:

- ◆ The applicable co-payment fee found on the *Notice of Decision*.
- ◆ A late fee assessed when a child is not picked up timely.
- ◆ An "activity fee" to cover field trips, etc.
- ◆ Cost of care used beyond the units approved on the *Notice of Decision*.

The agreement provides that payment may be made to a provider for a child not in attendance for a maximum of four days per calendar month. Allow this payment when the child is **regularly** scheduled on those days and the provider also charges a private customer for days of absence.

The Department may refuse to enter into or may revoke a *Child Care Assistance Provider Agreement* if:

- ◆ The Department finds there to be a hazard to the safety and well-being of a child and the provider cannot or refuses to correct the hazard; or
- ◆ The provider has submitted claims for payment for which the provider is not entitled.
- ◆ The provider refuses or fails to cooperate with the Economic Fraud Control Unit of the Department of Investigations and Appeals (DIA).

Ten calendar days advance notice are required to terminate the *Child Care Assistance Provider Agreement*, so that if care must be terminated, parents have adequate time to secure other child care arrangements.

Send a *Notice of Decision: Child Care Assistance* to inform the provider that their *Child Care Assistance Provider Agreement* is being terminated. The provider has the right to appeal this decision and may continue to receive CCA payments while the decision is pending.

Any CCA payments received pending the appeal decision will be recouped from the provider if the Department's decision to terminate is upheld in the appeal.

When a *Child Care Assistance Provider Agreement* has been revoked for failing to cooperate with investigations conducted by DIA, the Department will not enter into another agreement with the provider until cooperation occurs.

When a provider requests that the Department enter into a new agreement with them after their agreement has been revoked for not cooperating with DIA if the provider has:

- ◆ Cooperated and all other requirements are met, complete the agreement and return a signed copy to the provider.
- ◆ Not cooperated with DIA, deny the agreement and issue an NOD to the provider informing them that the Department will not enter into an agreement with them until they cooperate with DIA.

### **Completing the Agreement**

Prepare the *Child Care Assistance Provider Agreement*, form 470-3871:

- ◆ At least every 24 months, or
- ◆ When there is a change in circumstances that requires a change to the form.

The child care provider shall complete all information on page one as requested (except for the agreement number), sign the form on page four, and return the form to the Department's local office.

If the form is returned to the PROMISE JOBS office, it will be forwarded to the Department's local office for processing. (PROMISE JOBS workers do not complete this form.)

The Department worker:

- ◆ Reviews the form to ensure that page one is completely filled out, and that the provider has signed the form on page four.
- ◆ Reviews the provider's rates.
- ◆ Completes the first column of the table on page four with the approved half-day unit rates for each age group.
- ◆ Enters the appropriate service code in the second column of the table on page four.

The first two digits of the four-digit service code represent the provider type and the type of care (basic or special needs).

14xx = Child development home Category C, basic rate  
15xx = Child care center, basic rate  
16xx = Nonregistered family home, basic rate  
      = Child development home Category A, basic rate  
      = Child development home Category B, basic rate  
17xx = In-home care, basic rate  
61xx = Child development home Category C, special needs rate  
62xx = Child care center, special needs rate  
63xx = Nonregistered family home, special needs rate  
      = Child development home Category A, special needs rate  
      = Child development home Category B, special needs rate

The last two digits of the four-digit service code represent the age group. Providers are allowed only one rate for each age group for basic care and one rate for each age group for special needs care. Therefore, the only possible suffix codes are:

xx01 = Infant and toddler  
xx02 = Infant and toddler (care provided by a nonregistered family child care home)  
xx16 = Preschool  
xx17 = Preschool (care provided by a nonregistered family child care home)  
xx46 = School age  
xx47 = School age (care provided by a nonregistered family child care home)

For example, the service code for basic care provided in a licensed child care center to a three-year-old is coded 1516. Before- and after-school care to a special-needs school-age child in a registered child development home category B is coded 6346.

NOTE: The suffix codes of xx02, xx17 and xx47 cannot be used with a prefix code of 14xx, 15xx, 61xx or 62xx. (e.g., service code of 1502 would indicate a licensed center with nonregistered infants).

When the provider charges a reduced rate for multiple children in a family, enter the provider's regular unit cost (rate in effect) for each age group, but note on the agreement that the provider's claim reflects the reduced rate for the second and subsequent child.

### **Assignment of Agreement Number**

Assign one agreement number to each provider. The provider agreement number is composed of a two-digit program identifier (38), followed by the county number, followed by a three-digit sequential number (001-999). An example of an agreement number for a provider in Buena Vista County is 38-11-001.

If a county requires agreement numbers beyond 38-XX-999, the program identifier number becomes 39 and the sequential number begins at 001.

NOTE: Do not reassign an agreement number to a new provider until all payments have been made to the first provider, and that provider decides not to serve any more Department clients.

The Department's Child Care Assistance (CCA) worker then signs form 470-3871, *Child Care Assistance Provider Agreement*, returns one copy to the provider, and provides an additional copy to the PROMISE JOBS worker if necessary. Form 470-3871 is not valid unless both the provider and the Department's worker have signed it.

When returning the approved *Child Care Assistance Provider Agreement* to the provider include a supply of form 470-4466, *Child Care Provider Claim*. See [6-Appendix](#).

Transmit a copy of form 470-3871 to the staff person in the local office authorized to enter information from the form to the POSP screen. Refer to 14-L, [ADDING, CHANGING OR DELETING CONTRACTS OR AGREEMENTS](#), or the POSS system "HELP" screen for complete instructions for entering agreements.

NOTE: Make sure to enter provider information into the Child Care Provider Display (DCPD) system if necessary. Refer to 14-H, [CHILD CARE PROVIDER DISPLAY \(DCPD\) SYSTEM](#), for instructions.

### **Notice of Decision: Child Care Assistance**

**Legal reference:** 441 IAC 170.3(3)

The *Notice of Decision: Child Care Assistance*, form 470-3915, is used to notify clients and providers of agency actions that affect the client's eligibility or benefit level. Each client has the right to be given information regarding eligibility and benefit determination. Providers need to know when Child Care Assistance (CCA) is approved, denied, or changed, and the number of units authorized.

This form is not available in printed form. CCA workers complete form 470-3915 on line using the templates available in the public state-approved forms folder on Outlook. PROMISE JOBS workers will access the template through the Iowa Workforce Development's (IWD) mainframe.

Issue the *Notice of Decision: Child Care Assistance* when:

- ◆ An application is approved.
- ◆ An application is denied.
- ◆ A new or different provider is selected.
- ◆ There is a change in family size or income that results in a fee change.
- ◆ Benefits are changed as a result of a review or redetermination.
- ◆ Benefits are canceled.
- ◆ The chosen provider is not eligible to provide child care.

Send one copy of the *Notice of Decision: Child Care Assistance* to the client and file a copy in the case record. If there is a guardian, conservator, protective payee, or representative, provide that person with a photocopy of the notice. Provide a copy to PROMISE JOBS if necessary. If a child care provider is affected by the *Notice of Decision: Child Care Assistance*, mail a copy of the notice to the provider.

The *Notice of Decision: Child Care Assistance* does not need to be changed to account for minor fluctuations in work or training schedules. Make entries to case narratives to explain these fluctuations.

However, if there are large or long-term changes to a person's schedule, like adding or dropping a class or working overtime on a regular basis, issue a new *Notice of Decision*. The client must report changes within ten days of the change to have extra child care covered by CCA. If the changes are not reported timely, the parent is responsible to pay for units used beyond those authorized.

NOTE: The units authorized on the *Notice of Decision* should be as accurate as possible, but the number of units listed **do not** reflect a guaranteed number of units. The authorized units listed are only a projection of child care need as determined by the parent and CCA worker.

1. Ms. A. has been working an average of 30 hours per week for the last 3 months. She is approved to use two units per day, five days per week. She contacts the Department on June 3 to report that she has been working 36 hours per week as of May 28 because she is now working six days per week.

Since this change was reported timely, the worker sends Ms. A a new *Notice of Decision: Child Care Assistance* approving her for the extra units she needs effective retroactively to May 28.

2. Same scenario as Example 1, but Ms. B reports the change in hours on June 20.

Since the change was not reported timely, Ms. B is responsible to pay out of her own pocket for any extra units she used between May 28 and June 19. A new *Notice of Decision: Child Care Assistance* is issued approving the extra units effective June 20, the date the change was reported.

3. Ms. A works full time at a local restaurant. She normally works Tuesday through Saturday from 7:00 AM until 2:30 PM. She has been approved for two units per day, up to ten units per week. Occasionally Ms. A will work late on Friday or Saturday because the restaurant is very busy. On the days she stays late, she uses a third unit of child care.

These occasional, unexpected extra units can be paid to the provider even though not specifically covered in the *Notice of Decision*. The worker verifies that the extra units were necessary due to Ms. A working additional hours on those days and documents the situation in the case narratives to justify the units paid in excess of normal.



4. Ms. B works full time at the local hospital. She normally works Monday through Saturday from 6:00 AM until 3:00 PM. She has been approved for two units per day, up to 12 units per week.

Ms. B's provider submits a claim indicating that she provided child care for 14 units in one of the weeks during the month. However, Ms. B cannot provide documentation to indicate that she worked additional hours resulting in a need for extra units of care.

The extra units cannot be paid. Ms. B is responsible for paying her provider for this extra time beyond the approved units.

When a background or abuse check comes back with a criminal conviction or founded child abuse, and the evaluation team does not approve the provider, a *Notice of Decision: Child Care Assistance* must be sent to notify the provider. See [Provider Requirements](#).

When a provider's license or registration is denied or revoked, a *Notice of Decision: Child Care Assistance* must be sent to the provider to cancel the *Child Care Assistance Provider Agreement*.

### **Case Plan**

**Legal reference:** 441 IAC 130.7(234), 170.4(1)

A service case plan is required when the child needs care as part of a protective service plan to prevent or alleviate child abuse or neglect. For additional information, see 17-C(1), [Developing the Initial Case Plan](#).

If the child qualifies for protective child care services on the basis that the child is a member of a family with a confirmed case of child abuse, a Department service worker will ensure that protective child care is incorporated in the case plan and monitored.

If the family qualifies on the basis that the family is receiving family-centered services, the Department service worker responsible for developing the case plan for those services incorporates child care into that plan.

When the family has been referred to family-centered services, but is not receiving services because the service is not available, the family has refused services, or the family is receiving comparable services, the service worker should complete a case plan for the child care service.

It is not necessary for you to develop or monitor the case plan. When the service worker determines that a child requires Child Care Assistance (CCA) as part of a protective service plan, the service worker will notify you that a CCA case needs to be opened.

Providers must develop an individual program plan and submit quarterly progress reports to the service worker for all children needing protective child care.

### **SRS Entry**

For Child Care Assistance (CCA) administered by the Department, open a case on form according to the instructions in XIV-A. (CCA administered by PROMISE JOBS staff does not require the use of the SRS system.)

Use the service code that was entered on the *Child Care Assistance Provider Agreement*, form 470-3871.

Valid goal and objective codes for child care services are:

<b>Goal</b>		<b>Objective</b>	
1	Achieving or maintaining economic self-support	C	Child care services for employment
		E	Child care services for training
3	Preventing or remedying neglect, abuse, or exploitation of children and preserving, rehabilitating, or reuniting families	L	Treatment for children who have been, or have a potential of being abused, neglected, or exploited

Identify a protective case in the SRS system by using goal 3 and objective code L. All other cases should be identified by using goal 1 and objective code C, if the parent needs child care for employment, or objective code E, if the parent needs child care while attending school.

## **Approving Claims**

The term "claim" refers to form 470-4466, *Child Care Provider Claim*, or form 470-0020, *Purchase of Service Provider Invoice*. Policies for approving claims are organized into two sections:

- ◆ [Provider billing instructions](#)
- ◆ [Reviewing claims](#)

### **Provider Billing Instructions**

For Child Care Assistance (CCA) administered by the Department, instruct providers to bill for services using the *Child Care Provider Claim*, form 470-4466, or the *Purchase of Service Provider Invoice*, form 470-0020, and the *Child Care Assistance Attendance Sheet*, form 470-3872.

Form 470-0020 or 470-4466 can be submitted for a billing period not less than bi-weekly and no more than monthly for services provided during the billing period. A separate form 470-3872, *Child Care Assistance Attendance Sheet*, must be attached to the claim for each family being billed on form 470-0020 or 470-4466. Specific instructions for the completion of the invoice and attendance sheet are included in [6-Appendix](#).

NOTE: Providers may attach a copy of their own attendance record instead of form 470-3872, as long as all of the information requested on form 470-3872 is included and names of children not receiving CCA are blacked out or removed. However, the provider and parent must still sign form 470-3872 and attach it to the claim.

If a claim is submitted without the appropriate attendance records, return it to the provider as incomplete.

EXCEPTION: A claim may be submitted for payment if the provider is **unable** to obtain the parent's signature on an attendance sheet. The provider must attach a note explaining why the signature is missing. Process the claim as usual and attempt to obtain the parent's signature on the attendance sheet.

If you cannot obtain a signature, send a *Notice of Decision: Child Care Assistance* to terminate the parent's CCA eligibility. You may also establish an overpayment.

NOTE: For CCA administered by PROMISE JOBS staff, providers use form 470-3896, *PROMISE JOBS Child Care Attendance and Invoice*. See 4-Appendix, [PROMISE JOBS PROVIDER MANUAL APPENDIX](#).

Errors on claims can be reduced if certain information is emphasized to the provider. At a minimum, provide the following instruction to the provider to complete the form:

- ◆ For each case, advise the provider of the correct box to check for the Choose Type field:
  - Regular
  - Protective
- ◆ Use a separate claim for each type of funding source (regular/protective). Multiple cases can be entered on the same claim, as long as the case has the same type (regular/protective).
- ◆ Enter the information on the claim to match all identifying information **exactly** as on the *Child Care Assistance Provider Agreement*, or an error will occur and no payment will be made.
- ◆ Enter dates in six digits as month, day, and year (for example, 12/20/02 or 12-20-02).
- ◆ Enter dollar amounts to include the decimal point followed by two digits (e.g., \$7.00).

For CCA administered through the Department, supply providers with form 470-4466, *Child Care Provider Claim*, which is printed in carbonated sets. Providers may also use electronic versions of form 470-4466. Instruct the provider to send the original to the local office purchasing the service and keep one copy for reference.

Keep the original copy in the local office, after on-line entry. Retain original for a period of ten years beyond the date of the claim.

Supply providers with forms 470-3872 or 470-3896, which are printed in NCR carbon sets. Instruct the provider to keep a copy and send the original to the local office along with the provider claim.

### **Reviewing Claims**

Review all provider claims to verify that the units billed are within reasonable limits of the amount authorized by the *Notice of Decision: Child Care Assistance*, and that any amount over the units authorized has been documented on the claim and authorized by CCA staff.

For CCA administered through the Department, transmit the claim to the staff person in the local office who handles child care provider claims. The person responsible must have a terminal access code that allows access to the Purchase of Service (POS) On-Line system. Refer to the instructions below, or the POS system "HELP" screen for complete instructions for entering claims.

For CCA administered by PROMISE JOBS staff, authorize payment through the PJCase computer system.

If the local office receives a PROMISE JOBS claim form, fax the claim form to the appropriate PROMISE JOBS office the day it is received. Mail the original to the appropriate PROMISE JOBS office.

The expectation is that claims for child care payment be processed within seven business days of receiving a complete and correct claim.

### **Correcting a Claim**

The local office may make corrections to the claim **except** in the following areas:

- ◆ The child's name or case number,
- ◆ The dates and times of providing care,
- ◆ The signature of the provider,
- ◆ The date and signature of both the provider and the parent (caretaker) on the attendance sheet, and
- ◆ More than one billing period on a claim form.

It is the provider's responsibility to correctly complete these areas on the claim. EXCEPTION: If the child's name or case number is incorrect on the claim, but the local office can identify the child or case number, the local office can correct the child's name or case number on the claim.

If corrections are made to the claim, send a copy of the corrected form, with the corrections highlighted, along with form 470-4469, *Child Care Claim Cover Letter*, to the provider within five business days. Explain that the highlighted portions have been corrected and the claim has been paid. This is to assist with the completion of future claims.

If the provider indicates on the attendance sheet that the provider is unable to obtain the signature of the parent (caretaker), do not return the attendance sheet to the provider. Process the claim as usual. The local office will contact the parent (caretaker) to obtain the signature.

When the local office is unable to interpret the provider's entry on the attendance sheet or claim form, and the item in question can be corrected by the local office, call the provider within five business days to clarify:

- ◆ If you are able to reach the provider, document on the form what the entries are and your conversation with the provider. Mail a copy of the corrected form, with corrections highlighted, to the provider to assist them with completing future claims.
- ◆ If you are unable to contact the provider, return the claim form along with form 470-4469, *Child Care Claim Cover Letter*, and a blank claim form.

**The provider must submit a new claim form for payment.**

### **Rejecting a Claim**

If the local office receives an incomplete or incorrect claim, it must be returned to the provider for corrections within five business days of receipt.

The local office may not make corrections to the claim except as provided under [Correcting a Claim](#).

If the child's name or case number is incorrect on the claim, but the local office can identify the child or case number, the local office can correct the child's name or case number on the claim.

If the local office receives an incomplete or incorrect claim or attendance sheet that cannot be corrected, return a copy of the claim or attendance sheet to the provider within five business days of receipt, with the errors highlighted.

Also send form 470-4469, *Child Care Claim Cover Letter*, and a blank claim. The *Child Care Claim Cover Letter* explains that the claim could not be processed and what corrections are needed. Retain the original claim and a copy of the cover letter.

Enter the rejected claim into the POS system within five business days. See [Returning a Claim](#) for more information.

The provider must submit a new claim and attendance sheet (if necessary) with the corrections to request payment for services. EXCEPTION: If the signature of the provider or the caretaker is the only thing missing on the claim or attendance sheet, the provider does not need to submit a new claim. The person may sign the copy and return it to the local office.

If the provider signature is missing from the claim, you may contact the provider to give the provider the option of coming to the local office to sign the claim. The provider must come to the local office within five business days or the claim will be mailed to the provider on the fifth business day.

If the provider submits a claim for a child that is not receiving CCA, and the child cannot be determined eligible within five business days, draw a line through the ineligible child's name and make a note that the child is not eligible for CCA. Return a copy to the provider. If appropriate, pay the claim for the remaining children.

If a provider that provider has not been approved submits a claim, return a copy of the claim to the provider within five business days.

NOTE: You must manually track claims returned for ineligible providers and children, since POS data entry is unable to track this information.

There will be minor variances between the units authorized on the *Notice of Decision: Child Care Assistance* and the claim. These minor variances can be paid as long as there is a legitimate need. One example is when there are five weeks in a month. Document this need on the claim form.

If a provider submits a claim for more units than the child has been approved for on the *Notice of Decision: Child Care Assistance*, and there is no obvious need, pay the number of units that were approved on the *Notice of Decision: Child Care Assistance* and deny the additional units.

Return a copy of the claim with the *Child Care Claim Cover Letter* to the provider with a copy to the caseworker, explaining that the parent should contact the caseworker if the family needs additional units. Send a copy of the *Child Care Claim Cover Letter* to the parent to inform the family that if they need additional units they should discuss this with their caseworker.

If the parent contacts the caseworker, request verification to show the need for additional units. The provider must re-submit a claim for the additional units. When you receive the claim for additional units:

- ◆ Pay the claim if the Department has received documentation of the need for the additional units and the caseworker has approved the additional units.
- ◆ Return the claim by the fifth business day if the Department has not received verification of the need for the additional units.

If a provider submits a claim for a child who is eligible for only a portion of the time billed, approve the portion of the claim for which the child was eligible. Return a copy of the claim and the *Child Care Claim Cover Letter* to the provider explaining that a portion of the billing period includes a period of time the child was not eligible.

## **Processing Claims**

The Purchase of Service (POS) data system will process a claim for payment of services provided when the following conditions have been met:

- ◆ The provider has entered into a *Child Care Assistance Provider Agreement* with the Department to provide child care services for eligible clients.
- ◆ The provider has sent a claim for payment for services provided.
- ◆ An authorized person at the local office level has approved the claim for payment.

NOTE: Submit hard copy claims with original claimant signature to the Department's Bureau of Purchasing, Payments and Receipts for processing when the provider or payee is a current or recently terminated state employee.

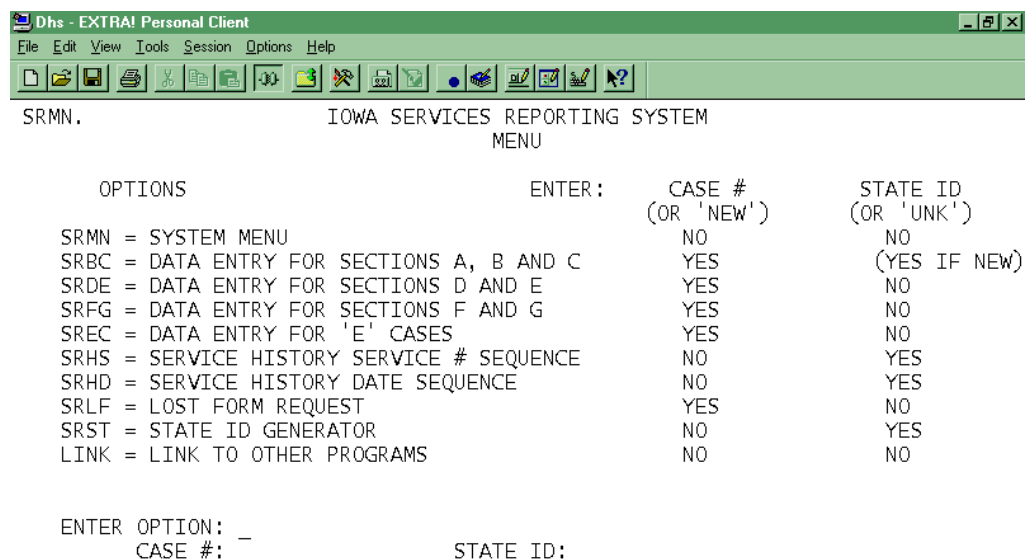
When a claim is completed and accepted, the system automatically releases the claim for payment on the daily payment run. Local office staff have the responsibility to identify and re-enter all rejections or errors. (See [POSS On-Line Messages](#) for more information.)



## **Claim Approval**

Before a claim is entered in the POS data system, the claim must be verified and approved. To see if there is an open SRS case for the child, the person who approves the claim at the local level should:

- Step 1 First look at the Iowa Services Reporting System (SRS) for the case by entering SSRS on the blank screen. Select the appropriate option and enter the case number shown on the claim.



The screenshot shows a Windows-style application window titled "Dhs - EXTRA! Personal Client". The menu bar includes File, Edit, View, Tools, Session, Options, and Help. Below the menu bar is a toolbar with various icons. The main window displays the "IOWA SERVICES REPORTING SYSTEM MENU".

OPTIONS	ENTER :	CASE # (OR 'NEW')	STATE ID (OR 'UNK')
SRMN = SYSTEM MENU		NO	NO
SRBC = DATA ENTRY FOR SECTIONS A, B AND C		YES	(YES IF NEW)
SRDE = DATA ENTRY FOR SECTIONS D AND E		YES	NO
SRFG = DATA ENTRY FOR SECTIONS F AND G		YES	NO
SREC = DATA ENTRY FOR 'E' CASES		YES	NO
SRHS = SERVICE HISTORY SERVICE # SEQUENCE		NO	YES
SRHD = SERVICE HISTORY DATE SEQUENCE		NO	YES
SRLF = LOST FORM REQUEST		YES	NO
SRST = STATE ID GENERATOR		NO	YES
LINK = LINK TO OTHER PROGRAMS		NO	NO

Below the table, there are input fields:

ENTER OPTION: \_  
CASE #: \_ STATE ID: \_



The screenshot shows the Windows taskbar and system tray area. The taskbar includes the Start button, several open applications (Inbox - Microsoft Outlook, Microsoft Word - Document1, Dhs - EXTRA! Personal...), and the system tray on the right showing the time as 11:57 AM and the date as 18/19.

- Step 2 Once the claim has been approved (authorized) for entry, check the provider's POS data to verify that there is:

- ♦ A valid, open provider record in POSS,
- ♦ A valid, open service code, and
- ♦ A rate matching what is on the provider's claim.

NOTE: An open SRS does not mean there is a valid or open provider record and service code in POSS.

Access this data through the PURCHASE OF SERVICE MENU:

The screenshot shows a terminal window titled "SESSION\_A - EXTRA! Personal Client". The menu is titled "PURCHASE OF SERVICE MENU" and "TODAYS DATE 08/24/99". It lists various options for purchasing services, including invoice displays, payment history, eligibility data, and provider searches. The user is prompted to place an "X" on the line for the desired option and depress the enter key. The screen also shows fields for ACTION, INV #, CASE #, PROV #, SERV CD, NAME, REGN, CNTY, FUND, FY, and SCR. The status bar at the bottom indicates "SNA Server: Connected CRTS#1 (CDPT07N)" and the time "3:06 PM".

```
SESSION_A - EXTRA! Personal Client
File Edit View Tools Session Options Help
[Icons]
POSS PURCHASE OF SERVICE MENU TODAYS DATE 08/24/99
PAGE 1
PLACE AN "X" ON THE LINE FOR THE DESIRED OPTION/SUB-OPTION.
DEPRESS THE ENTER KEY AND ENTER THE REQUIRED FIELD(S).

- POSI INVOICE DISPLAY
- POSI C INVOICE SEARCH BY COUNTY
- POSI N INVOICE SEARCH BY PROVIDER NAME
- POSI R INVOICE SEARCH BY RACF ID
- POSI P INVOICE SEARCH FOR PENDING
- POSI I INVOICE RELEASE
- POSH PAYMENT HISTORY (FORMERLY POSP)
- POSE ELIGIBILITY DATA
- POSP PROVIDER NAME/ADDRESS/RATE DATA DISPLAY(/UPDATE)
- POSP C PROVIDER SEARCH BY COUNTY
- POSP N PROVIDER SEARCH BY NAME
- POSP S PROVIDER SEARCH BY SERVICE CODE
- POSA ALLOCATION DATA DISPLAY
- POSS H UPDATE HELP, POSS T UPDATE VALID CODES

ACTION: INV #: CASE #: PROV #: SERV CD: -
NAME: REGN: CNTY: FUND: FY: SCR: POSS

PF09=HELP
MESSAGES:

08/18
SNA Server: Connected CRTS#1 (CDPT07N) NUM 3:06 PM
```

- ◆ Put an "X" by "POSP Provider Name/Address/Rate Data Display" and press Enter.
- ◆ Enter the seven-digit agreement number shown on the claim over the "???????" after "PROV #."
- ◆ Then enter the four-digit service code over the "?? - ??" after "SERV CD."

This will bring up the POS PROVIDER DATA screen (POSP) and show the service code, rate, and effective date of the rate as shown below.

NOTE: State employees who provide child care cannot be paid through POS. They must be paid through their payroll department. Contact the Department's Bureau of Purchasing, Payments and Receipts for instructions on how to pay state employees who provide child care services.

## Provider Data Screen

Dhs - EXTRA! Personal Client

File Edit View Tools Session Options Help

POSP PURCHASE OF SERVICE TODAY'S DATE 06/19/2003  
DISPLAY PROVIDER DATA FOR AGENCY PROVIDERS - REGULAR

PROV NAME: POLK CO BRD SUPERVISORS  
ADDR: POLK CO JUVENILE HOME  
1548 HULL AVE  
CITY/STATE: DES MOINES IA  
ZIP: 50316 0000

VEND CODE/LOC/TYPER/CODE TYPE: 426004519 03 C E OUT OF STATE: N

SERV CODE	UNIT TYPE	EFFC DATE	TERM DATE	SERV RATE	EFFC DATE	TERM DATE	SERV RATE
19 01	4	110101	103102	.00	110100	103101	.00
		070100	103100	.00	070100	070100	.00
		070199	063000	.00	060199	063099	.00
		070198	053199	.00	120196	063098	.00

LAST UPDATED: HEADER 10/29/2002 SERVICE 10/14/2002

TRAN REPORT: Y  
ACTION: \_ INV #: CASE #: PROV #: 3077066 SERV CD: 19 - 01  
NAME: REGN: CNTY: FUND: FY: SCR: POSP

CLEAR=END SESS PF1=MAIN MENU PF2=PAGE FRWD PF9=HELP

MESSAGES:

Connected to host 165.206.212.10 (CDPYA58)

Start Inbox - Microsoft Outlook Microsoft Word - Document1 Dhs - EXTRA! Person... 12:08 PM

NOTE: If you place an X on the POSS PURCHASE OF SERVICE MENU screen by POSP PROVIDER NAME/ADDRESS/RATE DATE DISPLAY (/UPDATE) to view provider information, it is not necessary to enter anything in the ACTION field. Just tab through this field.

If the service code on the claim is not shown on the POSP screen, the claim cannot be processed. If the service rate shows a termination date, this may indicate the *Child Care Assistance Provider Agreement* was terminated or it expired (not an open or valid provider record).

For *Child Care Assistance Provider Agreements*, the providers' claim should match the information shown on the POSS data system. The rate shown on the screen is the correct rate that the Department will pay the provider. A provider can bill at a lower rate than on the screen when appropriate.

The maximum child care reimbursement rates are set by the Legislature and can not be changed unless the Legislature gives a rate increase.

### **Adding a Claim**

Write the system-generated claim number on the original claim form. All electronically-entered claims are to be numbered and filed with the Department's local office that has financial responsibility for the client. Retain the claim for ten state fiscal years.

Step 1 On the PURCHASE OF SERVICE MENU, place an "x" on the line for POSI INVOICE DISPLAY and then press Enter.

Step 2 On the command line at the bottom of the POS MENU, enter the information for the three fields listed below then, press Enter.

Field	Valid Entries
ACTION	A
PROV #	Seven-digit provider number
NAME	First three characters of the provider name as shown on the provider file.

Step 3 This brings up the POSI INVOICE screen. Data entry instructions follow the screen sample.

POSI	PURCHASE OF SERVICE INVOICE		TODAYS DATE 06/13/2007				
PAGE							
BILLING DATE: 050107 STATE/LOCAL CODE: R COUNTY NUMBER/NAME 077 POLK							
AGREEMENT #: 1234567 PROVIDER NAME: XXXXXXXX, XXXXXXXXXX							
ACT	CASE #	LAST NAME	FIRST NAME	MID NAME	SERV BEG	SERV END	SERV
LINE #	UNIT COST	UNITS	TOTAL COST	FEES	CREDITS	NET COST	EOI
	ENTERED	RECEIVED	OVD RSN	RETURNED	RTN RSN		
	Z12340010	XXX		XXXX		050107 051507	16 01
0101	12.00	22	264.00	.00	.00	264.00	
	052007	01					
ACTION: INV #: 7109479 CASE #: PROV #: 1234567 SERV CD: -							
NAME: XXXXXXXXX, XXXXX HOME REGN: CNTY: FUND: FY: SCRIN: POSI							
CLEAR=END SESS PF1=MAIN MENU PF9=HELP							
MESSAGES: REQUESTED INVOICE DISPLAYED							

### **POSI -Add Entries**

Enter data from the claim as directed below. When the first line of the claim is entered, the system will generate a seven-digit invoice number on the command line. **Write this number down immediately in the Claim Number box on the claim form.**

Field	Valid Entries	Information
BILLING DATE	Six-digit date: Month 01 to 12 Day 01 to 31 Year 2 digits (i.e., 07)	This date is used to determine payment eligibility for: ♦ The specified billing period. ♦ Any line entered that does not have its own service beginning date entry.
STATE/LOCAL CODE	One-character funding code: P Protective child care R Regular child care (not protective)	This is from the box checked in item #10, CHOOSE TYPE field, on the claim form.
COUNTY NUMBER/NAME	Two part code. ♦ First three digits: County: 001-099 (the second and third digits = county number) ♦ Second three characters: First three characters of the county name (example: Story County = STO)	The county where the provider is located.
CASE #	Eleven-digit SRS case number.	
LAST NAME	First three characters of the child's last name.	
SERV BEG	Six-digit service beginning eligibility date for month being billed: Month 01 to 12 Day 01 to 31 Year two-digit numeric	Start date of the billing period from item #2 on the claim form.

SERV END	Six-digit service ending eligibility date for month being billed:  Month 01 to 12 Day 01 to 31 Year two-digit numeric	End date of the billing period from item #2 on the claim form.
SERV	Four-digit service code	This is the specific service code found on the claim form in item #13.
UNIT COST	Up to nine digits:  Seven digits for dollars and two digits for cents  Example: ??????1250, becomes 12.50	The system automatically generates a decimal point to the left of the last two digits entered.  When correcting an entry error:  ♦ Place the cursor in the left most space of the field, delete with the delete key, and re-enter as previously done; or  ♦ Reenter over the information previously entered. Remember to enter cents, dollars, and the decimal point. Delete whole dollar figures not needed.
UNITS	Up to five digits, in whole numbers.  Example: ???40, becomes 40	No fractions, decimal points, etc., are allowed.
TOTAL COST	(None) System-generated.  Up to nine digits:  Seven digits for dollars and two digits for cents	The system will automatically calculate this entry. You cannot enter over this information.

Field	Valid Entries	Information
FEES	Optional. (If there are no co-pay fees, just press Enter. The system generates zeros.)  Up to nine digits:  Seven digits for dollars and two digits for cents	The system automatically generates a decimal point to the left of the last two digits entered.  When correcting an entry error:  ♦ Place the cursor in the far left space of the field, delete with the delete key, and re-enter as previously done; or  ♦ Reenter over the information previously entered. Remember to enter cents, dollars, and the decimal point. Delete whole dollar figures not needed.
CREDITS	Optional. (If there are no credits, just press Enter. The system generates zeros.)	Leave blank.
NET COST	Up to nine digits:  Seven digits for dollars and two digits for cents	To correct an entry error, instructions are the same as FEES information above. If net cost is different from the invoice, recheck the figures entered. If figures are correctly entered, correct the claim form.
EOI (END OF LINE)	To add more lines for child care leave this blank.  E = Last line of claim	The system assigns a claim number after the first line is accepted.  If you forget to enter the "E" and a new blank line comes up, just enter the "E" at the end of this line (making no other entries on the line), and the total line will come up. This blank line will not affect your claim.

Field	Valid Entries	Information
EOI (END OF LINE) (Cont.)	P = Pend line  D = Delete line	If there are problems in one line, you can pend it and go on to enter the rest of the claim.  EXCEPTION: The system does not allow the first line of a claim to be pended.  You can immediately correct or delete pended lines after you have completed the claim.  If a line has errors that can't easily be corrected, you can delete this line and process the rest of the claim. (To delete the first line of a claim, you must have more than one line entered.)
ENTERED	The date the claim is entered into POS.	This field is automatically populated by the system.
RECEIVED	Date the claim form is received from the provider.  Six-digit date: Month 01 to 12 Day 01 to 31 Year two-digit numeric	Entry is required for approvals and rejections.
OVD REASON	The reason for overdue claim approval.  Two-digit reason codes: 01 Local agency error 02 SRS/PJCase issues 03 POSS issues 04 I3 issues 05 Provider error discovered at entry	Entry in this field is required only if the number of days between the claim received date and the POS entry date is eight business days or more.
RETURNED	The date an incorrect claim is returned to the provider for correction.  Six-digit date: Month 01 to 12 Day 01 to 31 Year two-digit numeric	The date cannot be greater than the current date.  Entry in this field is not required on claim approvals.



Field	Valid Entries	Information
RTN RSN	<p>The reason the claim is being returned to the provider.</p> <p>Two-digit reason codes:</p> <p>01 Provider did not sign or date the claim or signature is not in ink</p> <p>02 Child's name or case number incorrect or missing</p> <p>03 Dates of service incorrect or incomplete</p> <p>04 Provider or parent did not sign the attendance sheet</p> <p>05 More than one billing period on the form</p> <p>06 Other (documentation of specific reason must be on the claim form)</p>	Entry in this field required for all rejections.

NOTE: If you forget to write down the invoice number on the claim form, go to the POS MAIN MENU and put an "X" by "POSI INVOICE RELEASE." Next put in the county number, and press Enter. You will find your claim number for the provider or payee name in the list on the left side of the screen.

### **TOTAL Screen**

When the last entry is made and designated with an "E," the system will bring up the TOTAL screen. This screen looks like the screen you have been entering on, except to the far left where "TOTL" is printed and to the far right where "E" is printed.

The system generates the following entries:

- ◆ Total units
- ◆ Total cost
- ◆ Total fees
- ◆ Total credits

Enter the total net cost from the claim, and press Enter.

NOTE: If the claim has pended or deleted lines, the system will adjust the entries to reflect the totals of the accepted lines and the total net cost from the claim will not match the system calculations.

Do not adjust the totals. Instead, enter the totals as they appear on the paper claim. The only exception to this is if the unit cost has been changed on one or more lines of the claim. Then the totals must be adjusted, because unit cost is not part of the TOTAL screen.

If any fields are highlighted, check the math and correct the original claim. (For other kinds of errors, see [POSS On-Line Messages](#) and [Changing an Invoice With Pended Lines](#).) NOTE: Before you can enter a claim, the provider must be set up in the SRS system and the POSS data system. The entry will not be acceptable if the provider has not been entered on the SRS for the client.

Always enter any changes or deletions to the original claim from which you are entering data the same day the claim is entered. If you don't do these changes or deletions the same day, the overnight process registers your original entry and it will take more steps to make the needed changes. If the errors are significant, it's preferable to delete the claim and if appropriate, return it to the provider for correction.

If the claim cannot be corrected, then press the Enter key one more time without making entry. This will pend the claim, and the system will prepare for new entries as if the claim were accepted. (See below.)

If this entry is acceptable, the system assumes that more claim entries are to be entered and the following occurs:

- ◆ The cursor moves to the command line.
- ◆ Zeros appear in PROV.
- ◆ "A" appears in the ACTION field.
- ◆ "POSI" appears in the SCREEN field.
- ◆ The message "INVOICE ACCEPTED – ENTER NEXT PROVIDER NUMBER AND NAME" appears in the message area.

This allows you to enter the next provider number and name for your next claim. The system will generate daily transaction reports on entries made by user ID.

If it is necessary to make a corrective or additional payment to a provider for a billing period that has already been paid, follow the instructions in the [POSI-Add Entries](#) section. Change the beginning date by adding one day. Example: The billing period paid was from July 1 to July 15, the corrective payment should indicate July 2 to July 15.

### **Claim Status**

Claim status can be found on the Purchase of Service (POS) system.

**A = Accepted Status.** This status means that claim has passed system edits. "A" status claims are removed in the first weekly processing after they are accepted.

**O = Pending Status.** This status remains until the claim is corrected. If not corrected, "O" status claims remain on the data system for display and correction for only two or three weekly pay periods and then are removed automatically. When doing an invoice search, the status of a claim will appear under the column heading "Pending."

Once the payment cycle has processed all claims, the claim numbers are removed from the POSI screen if the claim (invoice) is accepted for payment processing or processed and rejected. (That is why it is important to copy the system-generated claim number on the original claim.) If the claim is status "O" (pending), you can still view the claim.

### **Changing an Invoice With Pended Lines**

The system identifies what information is required by placing (?) question marks in the various fields of the command line. If the question marks are an optional entry, this is noted in the screen instructions.

Step 1 On the PURCHASE OF SERVICE MENU, place an "x" on the line for "POSI INVOICE DISPLAY" and then press Enter.

Step 2 On the command line, enter these two fields and press Enter.

Field	Valid Entries	General Consideration
ACTION	C	Change
INV #	Seven-digit designation for the specific invoice	

Step 3 The claim will be displayed one line at a time, starting on the first non-deleted page and line. You have two options:

- ◆ If you know the page and line number you need to have displayed, you can enter the four-digit page and line number over the displayed page and line. By pressing Enter, you will go directly to that line, or you can enter line number wherever you are to move to another line.

When this option is used along with PF keys for paging, the system will respond to paging from the previous correction made.

- ◆ You can use the PF keys to page through the claim line by line. When a line is deleted, the paging capabilities of the PF keys is negated. To re-activate the paging function, go to the command line, re-enter a "C" in the ACTION field, and press Enter.

- Step 4 The ACTION field (ACT) to the left of the case number will contain a "P" for all pending lines.
- Step 5 Place a "C" over the "P" and make whatever line changes are necessary, then press Enter. If the corrected action still will not work and the fields continue to be highlighted, you may replace the "C" with a "D," and press Enter to delete the line.

### **Returning a Claim**

Claims that can't be processed due to errors that Department staff are unable to correct must be returned to the provider within five business days. These claims need to be entered into the POS system to track timeliness and reason for return.

- Step 1 On the Purchase of Service Menu, place an "x" on the line for "POSI INVOICE DISPLAY" and then press Enter.
- Step 2 On the Command Line, enter these three fields and press Enter.

Field	Valid Entries	General Consideration
ACTION	A	Add new
PROV #	Seven-digit provider number	From <i>Child Care Assistance Provider Agreement</i>
NAME	First three characters of the provider name as shown on the provider file	

- Step 3 This brings up the POSI INVOICE screen.

Field	Valid Entries	General Consideration
BILLING DATE	Six-digit date: Month 01 to 12 Day 01 to 31 Year two digits (i.e., 07)	This date is used to determine payment eligibility for: <ul style="list-style-type: none"><li>◆ The specified billing period.</li><li>◆ Any line entered that does not have its own service beginning date entry.</li></ul>

Field	Valid Entries	General Consideration
STATE/ LOCAL CODE	One-character funding code: P Protective child care R Regular child care ( <b>not</b> protective)	This is from the box checked in item #10, "Choose type" field, on the claim form.
COUNTY NUMBER/ NAME	Two-part code: First three characters: County number: 001-099 (the second and third digits = county number) Second three characters: First three letters of the county name (example: Story County = STO)	The county where the provider is located
CASE #	Eleven-digit SRS case number	
LAST NAME	First three characters of the child's last name	
RECEIVED	Date the claim form is received from the provider Six-digit date: Month 01 to 12 Day 01 to 31 Year two digit numeric	Entry is required for approvals and rejections
RETURNED	The date an incorrect claim is returned to the provider for correction Six-digit date: Month 01 to 12 Day 01 to 31 Year two digits numeric	The date cannot be greater than the current date
RTN RSN (RETURN REASON)	The reason the claim is being returned to the provider Two-digit reason codes: 01 Provider did not sign or date the claim or the signature is not in ink	Entry in this field required for all rejections

Field	Valid Entries	General Consideration
RTN RSN (RETURN REASON) (Cont.)	02 Child's name or case number incorrect or missing 03 Dates of service incorrect or incomplete 04 Provider or parent did not sign the attendance sheet 05 More than one billing period on the form 06 Other (documentation of specific reason must be on the claim form)	Entry in this field required for all rejections

### **Deleting a Claim**

Delete claim data from the Purchase of Service (POS) system as directed below.

Step 1 On the Purchase of Service Menu, place an "x" on the line for "POSI INVOICE DISPLAY" and then press Enter.

Step 2 On the Command Line, enter these two fields and press Enter.

Field	Valid Entries	General Consideration
ACTION	D	Delete
INV #	Seven-digit designation for the specific invoice	

Step 3 The system will request you to re-enter the claim number and press Enter a second time to verify this is what you want. This specific claim is then removed from the system.

If you decide not to delete the claim, you can change the action code to one other than "D." Put in another claim number and proceed to work on claims; or you can use the PF keys to move you out of the delete function.

### **POSS On-Line Messages**

The system checks three main files to edit data entered for verification of payment (the Eligibility Master File, the Provider Master File, and the Payment History File). When errors occur, the system highlights the problem area and designates this on the error line with a specific code. (This means the service code, the provider number, the billing or service date, the case number, or some other entry did not match one or all of the master files checked.)

These errors need to be corrected before the system will accept the claim. The error message is shown at the bottom of the screen. The codes appear as follows:

THE ERROR MESSAGE LINE IS AT THE BOTTOM OF THE SCREEN

The following are error messages that may be displayed:

XXXX-XXXX-XXXX - ERROR(S) ON FILE(S) DISPLAYED

These values can be ELIG-PHIS-PROV, ELIG-PHIS, ELIG-PROV, PHIS-PROV, ELIG, PROV, or PHIS, to indicate on what master files the error was found. Instructions for researching these errors are as follows:

♦ **ELIG** = Eligibility Master File (POSE ELIGIBILITY DATA screen):

- Check the POSE screen to ensure the client's case number, service code, beginning date, and provider number are displayed on this screen.
- Check that the service code is open for the billing period you are entering.
- Check for the correct provider number to be listed.
- Check the case number to make sure you have the correct number.

If eligibility information is not showing up for the case number entered on the POSE screen, then SRS data either has not been entered or has an error that has not allowed the information to roll to the POSE screen.

If the eligibility does not show on POSE, the SRS must be completed or corrected. Remember, client eligibility must be corrected **via the client's SRS** to update POSE.

♦ **PROV** = Provider Master File (POSP PROVIDER NAME/ADDRESS/RATE DATA DISPLAY (UPDATE) screen):

- Check the POSP screen to ensure the provider agreement has been entered.



- Check to see that the service code is effective for the billing period of the claim.
- Check to see that the rate on the claim does not exceed the rate listed for the service code.
- ◆ **PHIS** = Payment History File (POSH PAYMENT HISTORY (FORMERLY POSP) screen). A PHIS error means payment has already been made to this provider for this client, case number, service code, and billing period (even if the POSH screen shows \$0.00 as paying).  
You must re-enter the claim for the next day of the month (or billing period).

Other messages that can appear are as follows:

- ◆ BILLING DATE IS TOO FAR IN THE PAST - CORRECT AND PRESS ENTER.  
A billing date has been entered that is over two years old. This may be an operator entry error, or the billing date was written on the claim incorrectly.
- ◆ BILLING DATE IS TOO FAR IN THE FUTURE - CORRECT AND PRESS ENTER.  
A billing date has been entered that is to be billed two years in the future. This may be an operator entry error, or the billing date was written on the claim incorrectly.
- ◆ CANNOT DELETE FIRST INVOICE LINE - PRESS PF1 AND CONTINUE.  
You received an error on the first claim line or tried to delete the line item on the first claim line. You cannot delete a line item if it is the only one for the claim. (The entire claim must be deleted.)
- ◆ CANNOT DELETE FIRST INVOICE LINE - YOU MUST DELETE ENTIRE INVOICE.  
You received an error on the first claim line or tried to delete the line item on the first claim line. You cannot delete a line item if it is the only one for the claim. Delete the entire claim.
- ◆ CANNOT PEND FIRST INVOICE LINE - PRESS PF1 OR CHANGE EOI (END OF INVOICE).  
The first claim line item contained an unresolvable error. The first line item must not contain any errors.
- ◆ ENTER APPROPRIATE FIELDS.  
This message appears when a new screen is brought up for entry.
- ◆ ENTER INVOICE TOTALS.  
This message appears when the total line is brought up for entry.
- ◆ ENTER INVOICE LINE TOTAL.  
You forgot to enter the line total on the claim.

- ◆ ENTERED SERVICE CODE NOT ALLOWED FOR CLIENT – FIRST LINE ITEM.  
This service code is not allowed for the state/local code entered. On the first line item, you will not have a claim number. To get out of this claim screen, press PF1 and continue. Check POSE or the SRS screen.
- ◆ ENTERED SERVICE CODE NOT ALLOWED FOR CLIENT – PEND OR DELETE LINE.  
This service code is not allowed for the state/local code entered. Anywhere after the first line item, you will have a claim number. You must complete the claim.
- ◆ FILE ERROR.  
A file error occurred on one or all the files being accessed.
- ◆ FILE NOT OPEN.  
One or all of the files being accessed are not opened for some reason. You must find out why.
- ◆ HIGHLIGHTED FIELDS IN ERROR - PLEASE CORRECT AND DEPRESS ENTER KEY.  
This happens when one or more errors are detected. Because a message cannot be displayed for each error, the suspected error fields are highlighted and this message appears. It also occurs when the program cannot detect an exact error. (Example: Billing date may be typed in wrong or it may not be on a file). That is why the wording 'suspected error' is indicated.
- ◆ INVALID PF KEY DEPRESSED.  
You pressed a PF key that is not known to the program.
- ◆ INVOICE LINE PENDED, INVOICE LINE DELETED.  
There is an error that could not be reconciled, so the claim line is pending or deleted.
- ◆ INVOICE MUST BE COMPLETED.  
Not all of the necessary fields were entered. You may have tabbed over a necessary entry field.
- ◆ INVOICE ACCEPTED - ENTER NEXT PROVIDER NUMBER AND NAME.  
This message indicates that all information on the claim has been entered.
- ◆ INVOICE LINE CANNOT BE PENDED - MUST DELETE LINE OR INVOICE.  
This error occurs when the error detected is that the payment history shows that the claim has already been paid.
- ◆ INVOICE LINE WITH NO ENTERED FIELDS CANNOT BE PENDED.  
This error occurs when you have placed a pending indicator on a line item and have not entered data into any line item fields.

- ◆ PARTIAL UNITS ARE NOT ALLOWED - MUST ENTER A WHOLE NUMBER.  
Units must be a whole number (for example, 5 units instead of 5.5 units).
- ◆ PROVIDER NUMBER NOT FOUND, PROVIDER NAME NOT FOUND.  
The provider number or name entered onto the descriptor line is not on the provider master header file. The provider may not have been entered on I3 or the POSS data system.

### **Case Maintenance**

**Legal reference:** 441 IAC 170.2(237A), 170.4(237A), 170.5(237A) and  
170.3(237A,239B)

The following sections describe procedures for:

- ◆ [Reporting changes](#)
- ◆ [Changing providers](#)
- ◆ [Reviewing eligibility](#)
- ◆ [Adverse service actions](#)

### **Reporting Changes**

Parents are required to report all changes that affect eligibility or benefits in a timely manner. Changes reported within ten calendar days of the date of the change are considered to be reported timely.

The effective date of the change depends upon whether the change was reported timely and whether the change has a positive or negative effect on eligibility.

Changes that must be reported timely include:

- ◆ Changes in employment hours
- ◆ Starting or stopping a job
- ◆ Changes in income
- ◆ Changes in school schedule
- ◆ Changes in household size
- ◆ Changing child care providers

### **Positive Changes Reported**

Changes are considered “positive” when they benefit the family. Positive changes **do not** require a timely notice to be sent. Examples of positive changes are:

- ◆ Increase in employment hours resulting in need for more units of care
- ◆ Decrease in income resulting in a reduction in the co-pay fee

When a positive change is reported timely, the effective date on the notice of decision is the date of the change.

Mr. A contacts the local office on June 2 to report that his employment hours increased from 30 per week to 40 per week as of May 26, and he needs an increase in the number of units he is authorized to use. A notice of decision is sent with an effective date of May 26 to authorize the additional units.

NOTE: When positive changes are reported in a timely manner, no recoupment of Child Care Assistance (CCA) benefits is necessary.

When a positive change is **not** reported timely, the effective date on the notice of decision is the date the change was reported.

NOTE: When positive changes are not reported in a timely manner, no recoupment of CCA benefits is necessary. However, the parent is responsible to pay the provider for extra units not covered until a new notice of decision is issued.

Mrs. B contacts the local office on June 12 to report that her employment hours increased from 30 per week to 40 per week as of May 26, and she needs an increase in the number of units she is authorized to use. A notice of decision is sent to authorize the additional units with an effective date of June 12.

Mrs. B is responsible to pay out of her own pocket for any units she used between May 26 and June 12 beyond those units approved on her original notice of decision.

### **Negative Changes Reported**

Changes are considered “negative” when benefits are reduced or canceled. When a negative change is reported, a timely notice is required. Examples of negative changes are:

- ◆ Employment termination,
- ◆ Increase in income resulting in an increase in the co-pay fee.

When a negative change is reported, the effective date on the notice of decision must be ten calendar days from the date the notice was sent. The provider can bill the Department for services provided during the timely notice period (from the date the notice is issued through the effective date of cancellation) when:

- ◆ The client continues to take the child to the provider, or
- ◆ The client does not withdraw the child. The provider may bill for up to four days of absence.

The provider cannot bill the Department for services provided during the timely notice period when the client withdraws the child.

When determining if there is a CCA overpayment, consider the following:

- ◆ When a negative change is reported timely, there is no recoupment of CCA benefits used through the effective date of cancellation.
- ◆ When a negative change is **not** reported timely, CCA benefits used through the effective date of cancellation are subject to recoupment.

1. Mr. C contacts the local office on June 2 to report that he quit his job on May 26. A notice of decision is sent on June 3 to terminate his CCA eligibility effective June 13. Since this change was reported in a timely manner, no recoupment of CCA benefits used up through the effective date on the notice of decision is necessary.
2. Mrs. D contacts the local office on June 12 to report that she lost her job on May 20. A notice of decision is sent on June 13 canceling her CCA eligibility effective June 23.

Since this change was **not** reported timely, the Department will recoup from Mrs. D any child care units she uses from May 30, the date the change should have been reported, until June 23, the effective date of cancellation.

See [How to Determine When an Overpayment Occurred](#) for more information about how to calculate overpayments.

### **Changing Providers**

**Legal reference:** 441 IAC 170.2(4), 441 IAC 170.4(7)

When parents wish to change their provider, it is important for them to inform both their old and new providers of the change **before** making the change, and to report this to their CCA or PROMISE JOBS worker in a timely manner. This is necessary so that the proper *Notice of Decision: Child Care Assistance* can be sent to both providers.

If the parent fails to inform the current provider before terminating services, the terminated provider has the right to bill the CCA program for up to four days of absence. This means that the new provider will not be able to receive CCA payments for these days, and the parent will be responsible for paying the new provider for any care provided during that time.

1. Ms. A. decides to switch from her current provider, ABC Care, to another provider, XYZ Care. She informs ABC Care on Friday, May 11 that her child will not be returning on Monday, May 14. Ms. A also contacts her CCA worker on May 11 to report the change.

The CCA worker issues notices of decision regarding this change on May 11. The notice to ABC Care indicates that ABC Care can no longer bill the CCA program for Ms. A's child after May 11. The notice to XYZ Care indicates XYZ Care may begin billing the CCA program for Ms. A's child effective May 14.

On June 2, both ABC Care and XYZ Care submit claims for payment for child care provided in May. ABC Care receives payment for May 1 through May 11 and XYZ Care receives payment for May 14 through May 30.

2. Same scenario as Example 1, except that Ms. A fails to inform ABC Care that her child will not return after May 11. She contacts her CCA worker about this change on Monday, May 14.

Since Ms. A did not inform ABC Care of the change, ABC Care still expect Ms. A's child to attend care on May 14. Therefore, ABC Care is entitled to bill the CCA program for up to four days of absence that occur before ABC Care is notified of the change by receiving the CCA notice of decision.

The worker issues notices of decision regarding this change on May 14. The notice to ABC Care indicates that ABC Care can no longer bill the CCA program for Ms. A's child after May 16. The notice to XYZ Care indicates XYZ Care may begin billing the CCA program for Ms. A's child effective May 17.

On June 2, 2003, both providers submit claims for payment. ABC Care wants payment up through May 11 plus three days of absence (since they received the notice of decision on May 16).

XYZ Care wants payment from May 14 through May 30. However, XYZ Care cannot receive CCA payment for May 14, 15 and 16, since ABC Care billed these days as absence days. Ms. A must pay XYZ for the three days of care out of her own pocket.

3. Same scenario as Example 2, except the worker calls ABC Care on May 14, the same day the notices of decision are issued, to inform them of the change. The notice to ABC Care indicates they can no longer bill the CCA program for Ms. A's child after May 14. The notice to XYZ Care indicates they may begin billing the CCA program for Ms. A's child effective May 15.

On June 2, both providers submit claims for payment. ABC Care wants payment up through May 11 plus one day of absence (since they were notified by CCA on May 14). XYZ Care wants payment from May 14 through May 30.

In this situation, XYZ Care cannot receive CCA payment for May 14, since ABC Care billed this day as an absence day. Ms. A has to pay XYZ for that day of care out of her own pocket.

4. Ms. A changes providers in March. She informs the Department on March 13 that she stopped going to provider D on March 7 and began using provider E on March 10. Ms. A says that on March 7, she told provider D she would not be back on Monday, March 10.

A notice of decision is sent to Ms. A indicating she is no longer using provider D effective March 7. Provider D should be sent a copy of this notice as a courtesy. Provider D may not bill the CCA program for any days after March 7. This includes any "days of absence," because the children are no longer "regularly scheduled" with this provider.

Another notice of decision is sent to Ms. A and provider E approving CCA effective March 10. Provider E may begin billing effective March 10.

5. Same scenario as Example 4, except Ms. A did not tell provider D that she would not be back on Monday, March 10.

The worker sends a notice of decision to Ms. A indicating she is no longer using provider D effective March 7 and sends provider D a copy of this notice as a courtesy. Provider D may not bill the CCA program for any days after March 7 unless provider D incurs any "days of absence" before receiving notification of the change.

The worker sends another notice of decision to Ms. A and provider E approving CCA effective March 10. Provider E may begin billing effective March 10 minus any absence days that were paid to provider D.

Ms. A is responsible to pay provider E for any days of care provided that overlap with absence days paid to provider D, because Ms. A failed to inform provider D that she would no longer be using provider D after March 7.

6. Ms. B changes providers in March. She does not inform the Department until April 3 that she stopped going to provider D on March 7 and began using provider E on March 10. Ms. A says that she did not tell provider D she would not be back as of Monday, March 10.

A notice of decision is sent to Ms. B indicating she will no longer be using provider D effective April 3. Provider D is sent a copy of this notice as a courtesy. Provider D may bill the CCA program for days of care provided through March 7 as well as up to four days of absence since the provider change was not reported until April 3 by Ms. B.

Another notice of decision is sent to Ms. B and provider E approving CCA effective April 3. Provider E may begin billing effective April 3. Ms. B. is responsible for Any bills for child care provided between March 10 and April 3.

NOTE: Providers may have a written contract with parents that may include a two-week notice requirement when children are going to leave their care. Providers cannot bill the CCA program for this two-week period if the children do not attend. The provider will have to get this payment directly from the parent.

### **Reviewing Eligibility**

**Legal reference:** 441 IAC 170.3(5), 170.3(1)d, 170.4(2)

Redetermine eligibility at least every six months. Issue form 470-4377, *Child Care Assistance Review*, to the client at least 30 days, but not more than 45 days, before the end of the certification period.

The client is required to complete form 470-4377, *Child Care Assistance Review*, at the time of review. Verify eligibility criteria such as actual income, hours worked, or student status to determine continued eligibility. Review the parent fee when completing the review of eligibility.

If the client returns the review form, issue form 470-3915, *Notice of Decision: Child Care Assistance*, to inform the family and the child care provider of the new certification period and any changes in eligibility.



If the client returns an incomplete review form, send a request for the needed information and allow ten days for its return.

If the information is returned, issue a *Notice of Decision: Child Care Assistance* to inform the family and the child care provider of the new certification period and any changes in eligibility. The effective date of cancellation or approval will either be the end of the previous certification period or the first day of the new certification period, respectively.

If the client fails to return the review form, it is **not** necessary to send a *Notice of Decision: Child Care Assistance* to cancel Child Care Assistance (CCA) because the original approval notice provided the beginning and ending dates of eligibility. If the client returns the review form after the effective date of cancellation of CCA, treat the review form as a new application.

Review eligibility when changes are reported, and issue a *Notice of Decision: Child Care Assistance* giving a ten-day notice for a change to a parent's fee or for a loss of CCA eligibility. See [Reporting Changes](#).

NOTE: Families who receive FIP or are participating in approved PROMISE JOBS activities continue to be eligible notwithstanding eligibility redetermination requirements. These families **do not** need to complete a review form for their six-month review as long as their FIP or PROMISE JOBS eligibility continues.

Since these families meet financial eligibility requirements, all that is necessary is to redetermine the family's need for service. This may be done by requesting necessary information from the family or by using information that is already available to the Department.

If the client returns the requested information, issue a *Notice of Decision: Child Care Assistance*, to inform the family and the child care provider of the new certification period and any changes in eligibility.

If the family does not return the requested information by the due date, cancel the case. Issue a *Notice of Decision: Child Care Assistance* giving a ten-day notice to cancel the case.

A family that is no longer eligible for FIP or PROMISE JOBS services is not automatically eligible for CCA. If a family loses FIP or PROMISE JOBS eligibility, but still needs child care, send a review form and follow procedures in [Reviewing Eligibility](#). The family is subject to all waiting lists and eligibility policies.

A family that is no longer eligible for protective child care is not automatically eligible for CCA. If a family no longer meets the requirements for protective services, but still needs child care, send a review form and follow the procedures in [Reviewing Eligibility](#). The family is subject to all waiting list and eligibility policies.

Families who, because of waiting lists, were required to meet specific requirements of a priority group at the time of application (see [Application for Placement on a Waiting List](#)) are **not** required to meet the priority group requirements at review or redetermination. Eligibility continues as long as:

- ◆ The family meets the need for service and financial guidelines, and
- ◆ The child needing services is under age 13 or under age 19 with special needs. (See [Determining Eligibility](#).)

### **Adverse Service Actions**

**Legal reference:** 441 IAC 170.5(237A)

The following sections describe procedures for:

- ◆ [Reduction of services](#)
- ◆ [Termination of services](#)
- ◆ [Notification of action](#)
- ◆ [Appeals](#)

#### **Reduction of Services**

**Legal reference:** 441 IAC 170.5(4)

Child Care Assistance benefits may be reduced when it is determined that:

- ◆ Continued provision of service at its current level is unnecessary; or
- ◆ Funding is not available to continue the service at the current level; or
- ◆ Another community resource (person, agency, program, or funding source) is available to provide the same or similar service free of charge to the family that will meet the family's needs.

Reassess the family to determine the level of service to be provided.

EXCEPTION: Families who receive FIP or are participating in approved PROMISE JOBS activities continue to be eligible for CCA and are not subject to reduction.

### **Termination of Services**

**Legal reference:** 441 IAC 170.5(3)

Child Care Assistance may be terminated at the request of the applicant or when the Department determines that:

- ◆ The family no longer meets the eligibility requirements, including need for service, financial eligibility, and age of the child needing services;
- ◆ The specific need to attain goals and objectives toward which service was directed has been achieved;
- ◆ The applicant refuses to provide documentation of eligibility requirements;
- ◆ After repeated efforts, it is evident that the family is unwilling to accept further service;
- ◆ No payment or partial payment of parent fees has been received within 30 days following the issuance of the last billing;
- ◆ Another community resource (person, agency, program, or funding source) is available to provide the same or similar service free of charge to the family that will meet the family's needs; or
- ◆ Funding is not available to provide the service.

### **Notification of Action**

**Legal reference:** 441 IAC 170.6(237A)

Give timely and adequate notice to the client whenever it is proposed that a service be reduced or terminated.

"Timely" means the notice is mailed at least ten calendar days before the action would become effective. The timely notice period begins on the day after the notice is mailed.

"Adequate" means the written notice includes:

- ◆ A statement of what action is being taken;
- ◆ The reason for the intended action;
- ◆ The manual chapter number and subheading supporting the action;
- ◆ An explanation of the applicant's right to appeal; and
- ◆ The circumstances under which benefits are continued when an appeal is filed.

Send the original of the notice to the applicant, file a copy in the case record, and send a copy to the provider.

NOTE: Providers must be notified in writing that a client's eligibility has changed or ended. Send the provider a copy of the notice of decision that is sent to the client. Timely notification requirements **do not** apply, but the provider should be adequately notified of the change in service.

### **Appeals**

**Legal reference:** 441 IAC 170.6(237A)

Notify the applicant of the right of appeal when you notify the applicant of any adverse action. The *Notice of Decision: Child Care Assistance*, form 470-3915 or 470-3915(S), contains the notice of appeal rights.

When an applicant wishes to appeal a decision, encourage the applicant to complete form 470-0487 or 470-0487(S), *Appeal and Request for Hearing*, but accept any written request.

Proceed according to 1-E, [RESPONSIBILITIES OF DEPARTMENT'S REPRESENTATIVE](#). Immediately submit the appeal form and the notice of adverse action to the Department's Appeals Section. Forward a summary of the basis for the action to the Appeals Section within ten days.

NOTE: Although providers cannot appeal a notice of decision that was sent to a parent, providers may appeal Department decisions that affect them at any time (such as amount of payment, denial of their provider agreement, or calculation of their half-day rate). When a provider wishes to appeal a Department decision, the procedure is the same as for a parent's appeal.

### **Cooperation With Investigations**

**Legal reference:** 441 IAC 170.2(2)"e"

To be eligible for CCA, applicants and participants must cooperate with the Economic Fraud Control Unit of the Department of Inspections and Appeals (DIA) when the applicant's or participant's case is referred for investigation.

DIA conducts front-end investigations of applicant as well as participant cases. DIA also conducts fraud investigations. Cooperation is required with both types of investigations.

When the Economic Fraud Control Unit notifies you that a client has failed to cooperate in an investigation, deny or cancel CCA. EXCEPTION: Do not cancel or deny CCA if the investigation centers solely around a person whose income and need for service do not affect CCA eligibility.

Issue a timely *Notice of Decision* to cancel CCA.

Procedures for front-end investigation and what to do when a client reapplies after being canceled for failure to cooperate are explained in the following sections:

- ◆ [Front-end investigation procedures](#)
- ◆ [Application after failure to cooperate](#)

### **Front-End Investigation Procedures**

Refer questionable cases, whether regarding the client and the provider, to the Economic Fraud Control Unit of the Department of Inspections and Appeals (DIA) for front-end investigation. Before making a referral, do the following:

- ◆ For a family eligibility or provider payment issue, take a “prudent person” approach to the information the client or provider gives you. Allow the client or provider the opportunity to explain the situation or resolve any questionable information.
- ◆ For a provider regulation issue, talk to the registration person about the situation.

### **Referring a Household to the Investigation Unit**

Make referrals for investigation using form 470-2998, *Referral for Front-End Investigation*. One or more of the factors listed on the form must be present in order to make a referral. See [6-Appendix](#) for more information about filling out the form.

You do not need to complete another *Referral for Front-End Investigation* when a client has agreed to cooperate with the investigator within 30 days of a noncooperation. This 30-day period is from the date that the investigator has notified you that the client has not cooperated. Inform the investigator that the client has contacted you and agreed to cooperate, so that the investigator can schedule an appointment with the client.

If the client contacts the investigator, the investigator will schedule an appointment with the client and notify you.

If the household resolves the issue with you before the investigation is completed, document this in the case record and notify the investigator.

### **Investigation Process**

**Legal reference:** 481 IAC 72.2(10A), 72.3(10A)

The purpose of a front-end investigation is to prevent households and providers from fraudulently receiving CCA. Front-end investigations are conducted to:

- ◆ Determine if information supplied by the client is correct.
- ◆ Determine if claim forms submitted by the provider are correct.
- ◆ Determine if payments issued to the provider were correct.
- ◆ Assist in reducing the program error rate.
- ◆ Identify overpayments for recovery.

If an interview is needed, the investigator sets up the interview. The interview request notifies the client that the case has been referred to the Economic Fraud Control Unit. Before the interview, the investigator informs the client or provider of:

- ◆ The purpose of the investigation.
- ◆ The type of information being reviewed.
- ◆ The client's responsibility to cooperate.
- ◆ The provider's responsibility to cooperate.
- ◆ The consequences of refusing to cooperate in an investigation

The investigator:

- ◆ Decides which eligibility items need further verification.
- ◆ May request and have access to the DHS client file if the investigator deems it is necessary;
- ◆ Must follow the terms of the contract between the Department and DIA with respect to confidentiality.
- ◆ Reports the results of the investigation to the client's IM worker.

### **Acting on Investigation Findings**

**Legal reference:** 481 IAC 72.4(10A)

After an investigation has been completed, determine eligibility taking into consideration the findings of the investigator. Consider the evidence in the investigator's findings as verified information.

When the front-end investigation reveals a need for further investigation, no additional referral is required. If you so request, the investigator will attend appeal hearings and testify to the information gathered by the investigator.

### **Application After Failure to Cooperate**

**Legal reference:** 441 IAC 170.2(2)"e"

When a household reapplies after being denied or canceled for failure to cooperate with a front-end investigation, decide whether the situation is resolved and document this decision in the case record.

- ◆ If the situation is resolved, notify DIA of this decision and approve the application if otherwise eligible.
- ◆ If the situation has not been resolved, the household must cooperate with front-end investigations before eligibility can be determined. Assistance cannot be reestablished until cooperation criteria have been met.

If a household that failed to cooperate later meets the front-end investigation requirements and is otherwise eligible, approve assistance effective the date the household applied. Do not process the approval until you are notified that cooperation has actually occurred.

If the household contacts you before the date of cancellation and expresses willingness to cooperate, tell them that they must cooperate with DIA before the effective date of cancellation or they will need to reapply for CCA.

When a household reapplies on or before the date of cancellation, the household is eligible for benefits on the effective date of cancellation. If the application is received after the date of cancellation, assistance is effective the date the Department receives the application.

Ms. A, a CCA participant, fails to cooperate with the front-end investigation. DIA informs the IM worker of the failure in early April. The IM worker issues a notice on April 5 to cancel assistance effective April 15.

On April 10, Ms. A contacts the IM worker and states her intent to cooperate with the front-end investigation. However, the IM worker must refer the case to DIA. The investigator is not able to meet with Ms. A until May 20. As a result, Ms. A cannot resolve the issue before the effective date of cancellation. The case is canceled April 15.

Because she cannot be reinstated, Ms. A must file an application. She files an application on April 16, cooperates with the investigation, and is otherwise eligible; the application is approved effective April 16.

## **Overpayment Recovery**

**Legal reference:** 441 IAC 170.9(237A)

When a child care provider receives a duplicate payment or a payment greater than allowed, the amount of the overpayment must be recovered.

Recovery is made through the provider or the client, depending on the circumstances surrounding the overpayment. If a client's or provider's financial circumstances change, the Department and the Department of Inspections and Appeals (DIA) have the authority to revise the recoupment plan.

The following sections describe procedures for:

- ◆ [Overpayments subject to recovery](#)
- ◆ [How to determine when the overpayment occurred](#)
- ◆ [How to calculate overpayments](#)
- ◆ [Failure to cooperate](#)
- ◆ [Notifying DIA of the overpayment](#)
- ◆ [DIA overpayment recovery process](#)
- ◆ [Overpayment refunds and payments](#)
- ◆ [Sanctions for provider fraud](#)
- ◆ [Notifying DIA of changes](#)
- ◆ [Appeals process](#)



### **Overpayments Subject to Recovery**

**Legal reference:** 441 IAC 170.9(237A)

Recover overpayments caused by:

- ◆ [Provider error](#)
- ◆ [Client error](#)
- ◆ [Agency error](#)
- ◆ [Assistance paid pending an appeal decision](#)

Establish the amount of the overpayment and initiate recovery no later than 90 days after the overpayment is discovered.

Do not make a referral to DIA if the provider has returned the state warrant for the overpayment in question, as long as the warrant covers the total amount of the overpayment and the period of overpayment is only one month. For recovery purposes, the person has not “received” the benefit if the warrant is not cashed, so no overpayment exists.

If a household files for bankruptcy, send the notice of bankruptcy to DIA immediately, so the state can file a claim in the United States Bankruptcy Court.

### **Provider Error**

**Legal reference:** 441 IAC 170.1(237A)

Recover overpayments that result from the following child care provider errors:

- ◆ False or misleading statements on billing claim about the children receiving services.
- ◆ False or misleading documentation of hours when service was provided.
- ◆ Failure to report receiving duplicate warrants within ten days of receipt.
- ◆ Failure to report and refund payments received for more units than the amount authorized on the most recent form 470-3915, *Notice of Decision: Child Care Assistance*, within ten days of receiving the payment.

### **Client Error**

**Legal reference:** 441 IAC 170.1(237A)

Recover overpayments that result from the following client errors:

- ◆ False or misleading oral or written statements about the client's income, household composition, school schedule, hours of employment, or any other circumstances affecting eligibility or benefits.
- ◆ Failure to report changes in income, household composition, school schedule, hours of employment, or any other circumstance affecting eligibility or benefits of the client, as outlined on the *Notice of Decision: Child Care Assistance*, within ten days of the change.

### **Agency Error**

**Legal reference:** 441 IAC 170.1(237A)

Recover overpayments that result from agency error. This includes the following situations:

- ◆ The Department errs in determining eligibility or the appropriate number of units.
- ◆ The Department errs in timely making changes when the Department has the information.
- ◆ The Department incorrectly pays a child care provider due to errors in typing or copying, computer input errors, or mathematical errors.

### **Assistance Paid Pending an Appeal Decision**

**Legal reference:** 441 IAC 170.9(2)

If a client or a child care provider loses an appeal, the client or provider is also responsible for repaying the excess amount received during the appeal process. Recovery will begin no later than one month after the month the final decision is issued (or the second month if required by timely notice standards).

## **How to Determine When an Overpayment Occurred**

**Legal reference:** 441 IAC 170.9(2)

The ending date of the overpayment is the last day an overpayment occurred.  
Determine the beginning date of an overpayment depending on whether it occurs:

- ◆ [During the application process](#), or
- ◆ [By a change in eligibility or need for service](#), or
- ◆ [By erroneous provider reporting](#).

### **Overpayment During the Application Process**

**Legal reference:** 441 IAC 170.9(2)

Consider an overpayment that occurs during the application process to begin with the date of eligibility.

Ms. P applies for CCA on July 13. A notice of decision approving benefits is sent August 5, with an effective date for eligibility of July 13.

Later the worker discovers that Ms. P was receiving child support at the time of her application, but did not include this information. The calculation to determine the amount of overpayment to Ms. P starts at the beginning date of eligibility, July 13.

### **Overpayment Due to a Change in Eligibility or Need for Service**

**Legal reference:** 441 IAC 170.9(2)

If there is a change in eligibility or need for service that was not reported within ten days of the date of change, determine when the change causing the overpayment began by determining the date of change, as if it would have been reported timely.

Mr. S applies for CCA on March 10 and is approved. On April 20, Mr. S begins working 20 hours per week. He does not report the change, and his CCA continues. Upon review on August 20, the worker finds that Mr. S was ineligible for CCA because he worked less than 28 hours per week.

The calculation to determine the amount of overpayment to Mr. S starts on the date the change would have taken effect if timely reported, April 30.

### **Overpayment Due to Erroneous Provider Reporting**

**Legal reference:** 441 IAC 170.9(2)

If a provider submits a claim that is found to have false or erroneous services listed, determine when the false or erroneous services causing the overpayment began.

Ms. D applies for Child Care Assistance (CCA) for her two children on May 1 and is approved. She chooses the ABC Child Care Center as her provider. On July 15, Ms. D changes her provider to the XYZ Child Care Center.

The ABC Child Care Center continues to claim the Department for Ms. D's two children after July 15. Upon Department review on October 20, it is found that the ABC Child Care Center has been paid for child care services not provided to Ms. D's children. The calculation to determine the amount of overpayment to ABC Child Care Center starts on the date the overpayment began, July 15.

### **How to Calculate Overpayments**

**Legal reference:** 441 IAC 170.9(2)

Compute an overpayment as if the information had been reported and acted on timely. Calculate the amount of overpayment for each month. Add the monthly amounts together to calculate the total amount of overpayment.

When a debtor causes an overpayment on multiple cases for the same period, and these cases are for the same program code and cause code, combine them into one overpayment amount.

Document all calculations on a separate sheet of paper and file paper in the case record. Give a copy of the documentation to the client or provider, upon request. The Department of Inspections and Appeals (DIA) may require a copy of your calculations during the recovery process, so be as clear and concise in your explanation as possible.

### **Failure to Cooperate**

**Legal reference:** 441 IAC 170.9(4)

Clients or providers fail to cooperate if they do not supply information necessary to determine eligibility and the correct amount of assistance.

### **Client Failure to Cooperate**

**Legal reference:** 441 IAC 170.9(4)

If a client does not cooperate in the investigation of alleged overpayments, it will result in ineligibility for the months in question. The overpayment will be the total amount of assistance received during those months.

Take action as follows:

- ◆ Issue a letter to the client requesting the verification or documentation you require. Be sure to state that failure to provide the requested information within ten days of the date the letter was mailed will result in cancellation of Child Care Assistance (CCA), and that an overpayment recovery referral will be made to the Department of Inspections and Appeals (DIA). Place a copy of the letter in the case file.
- ◆ If you do not receive a response to your inquiry after ten days from the date you mailed the letter, send form 470-3915, *Notice of Decision: Child Care Assistance*, canceling the client's benefits.
- ◆ Refer the case to DIA for investigation.

Ms. L is approved for Child Care Assistance (CCA) effective March 25. Her need for service is employment outside the home. The worker receives information from an anonymous phone caller on August 1 that Ms. L is working 15 hours per week. The pay stub documentation in the case file contains verification of work hours before May 16, with an average work week of 30 hours.

The worker follows up on the anonymous call by mailing Ms. L a request that she submit copies of July's pay stubs within ten days. Ms. L fails to send the documentation. The worker issues a notice of decision canceling Ms. L's assistance, and refers the case to DIA.

The calculation to determine the amount of overpayment begins on May 16 (the first day of undocumented work hours) and continues through the effective date of the cancellation notice of decision.

### **Provider Failure to Cooperate**

**Legal reference:** 441 IAC 170.9(4)

If a provider does not cooperate in the investigation of alleged overpayments, it will result in payments being recouped for the months in question.

When you discover that an overpayment may have occurred, issue a letter to the provider requesting the information or verification necessary to make your determination. Inform the provider that failure to provide the requested information will result in an overpayment recovery referral to the Department of Inspections and Appeals (DIA). Place a copy of the letter in the case file.

If the provider fails to submit the requested information or verification after ten days from the first date of contact, refer the case to DIA.

If the suspected overpayment involves benefits to children currently in the care of the provider, do not cancel or suspend payment to the provider for those children. If the overpayment is a result of miscalculation of benefits, issue a *Notice of Decision: Child Care Assistance* to the client and send a copy to the provider specifying the corrected rates or payments.

The ABC Center begins caring for Mr. K's daughter on July 15. The center bills the Department for two units per day, five days per week. On September 10, Mr. K's daughter starts school. The center continues to claim the Department for two units per day per week, although the child attends the center only after school.

During a case review on November 15, the worker finds the error and contacts Mr. K to verify that his daughter is attending school. Mr. K affirms that his daughter is at school during the day.

The worker informs the center that she is investigating a possible overpayment and needs the records for verification. After ten days, the worker hasn't received the information from the center. The worker issues a notice of decision to the client and the provider with the corrected authorization of units and refers the case to DIA.

The amount of the overpayment is calculated as follows: one unit of Child Care Assistance (CCA) per day x 45 days (September 10-November 15).

If the overpayment involves suspected collusion between the provider and client to create a fraudulent payment, follow the procedures outlined regarding recoupment for both the client and provider. When writing your summary on form 470-0465, *Overpayment Recovery Supplemental Information*, be sure to supply information on the suspected collusion and the relevant client information.

### **Notifying DIA of the Overpayment**

**Legal reference:** 441 IAC 170.9(1)

Refer all Child Care Assistance (CCA) overpayments to the Department of Inspections and Appeals (DIA) via form 470-0464, *Overpayment Recovery Information Input*. You must notify DIA of the amount and dates of the overpayment and the type of error that caused the overpayment. When you have determined a CCA overpayment and documented it in the case record:

- ◆ Use form 470-0464 to make the referral to DIA. This form:
  - Specifies the program, the amount, the dates, and the reason for the overpayment.
  - Lists information on the debtor for identification purposes. NOTE: List all responsible adults with their social security numbers and all appropriate case numbers for which the overpayment occurred in the comments section.
- ◆ Make a copy of form 470-0464 for the case record and forward the original to the DIA Overpayment Recovery Unit, 321 E 12th St., Des Moines, Iowa 50319-0083. (If "local mail" or courier service is available, send to DIA Overpayment Recovery, Lucas Building, Des Moines.)
- ◆ Also complete form 470-0465, *Overpayment Recovery Supplemental Information*, and forward it to DIA along with form 470-0464 if the CCA overpayment exceeds \$1,000 and:
  - Is a suspected intentional fraud referral, or
  - Is a non-intentional overpayment referral. (Note in your summary that it is believed to be a non-intentional overpayment referral.)

You can refer a case for fraud investigation using form 470-0465, *Overpayment Recovery Supplemental Information*, together with form 470-0464, *Overpayment Recovery Information Input*. Specify on form 470-0465 that this is a case of suspected fraud.

Make sure the case record contains a copy of all documents. See [6-Appendix](#) for instructions for completing forms 470-0464, *Overpayment Recovery Information Input*, including the applicable CCA codes, and 470-0465, *Overpayment Recovery Supplemental Information*.

NOTE: When a provider returns the original CCA warrant, you do not need to complete the *Overpayment Recovery Information Input* if the warrant covers the total amount of the overpayment and the period of overpayment is only one month. (This does not apply to refunds by money order, personal check, or cash.)

### **Who Is Responsible for Client Error Repayment**

**Legal reference:** 441 IAC 170.9(6)"c"

Recoupment may be made from the parent, or the person who serves in the capacity of the parent, who received Child Care Assistance (CCA) at the time the overpayment occurred. When both parents were in the home when the overpayment occurred, both parents are equally responsible for repayment.

The recoupment system can collect from only one debtor at a time. Select the adult household member from whom collection is most likely. Adult household members are still liable even if they move to another household.

See [6-Appendix](#) for specific instructions on completing form 470-0464, *Overpayment Recovery Information Input*, when both clients are responsible for the overpayment.

A relative who received CCA benefits at the time of overpayment is responsible for refunding the overpayment. If the children move into the home of another relative, the new payee has no liability for the overpayment.

### **Who Is Responsible for Agency Error Repayment**

**Legal reference:** 441 IAC 170.9(6)"d" and "e"

Recoupment for agency error overpayments may be made from the parents, or the person who serves in the capacity of the parent, who received assistance when the overpayment occurred because of a Department error: :

- ◆ In determining eligibility or the appropriate number of units, or
- ◆ In timely making changes when the Department has the information.



Recoupment for agency error overpayments may be made from the provider when the Department incorrectly pays the provider because of errors in typing or copying, computer input errors or mathematical errors.

### **DIA Overpayment Recovery Process**

**Legal reference:** 441 IAC 170.9(5); 441 IAC 11.1 (217,421)

The Department of Inspections and Appeals (DIA) reviews the circumstances of each referral, and then decides whether recovery should be initiated immediately, or if a referral should be made to the county attorney for prosecution. For a complete guide to the overpayment recovery process, please refer to 6-G, [RECOVERY OF OVERPAYMENTS](#).

When DIA receives form 470-0464, *Overpayment Recovery Information Input*, it begins the recovery process by:

- ◆ Creating a record on the Overpayment Recovery (OVPY) system.
- ◆ Making a fraud referral, when indicated.
- ◆ Issuing a demand letter for repayment of the overpayment.

Records of the Overpayment Recovery Unit are confidential in accordance with 1-C, [CONFIDENTIALITY AND RECORDS](#).

### **Creating an Overpayment Record**

**Legal reference:** 481 IAC 71.3(10A), 71.8(10A); 441 IAC 11.2(217,421)

The following briefly outlines the processes that the Department of Inspections and Appeals (DIA) follows when investigating an overpayment.

When the DIA Overpayment Recovery Unit receives form 470-0464, *Overpayment Recovery Information Input*, staff search the Overpayment Recovery (OVPY) system to see if the debtor already has a record on the system.

The Overpayment Recovery (OVPY) system is a computer system that assists DIA in recovering overpayments made to the Department's clients or providers. Overpayments that are recorded on the system and pursued for collection are defined by policy for each program area.

If no record is found, DIA unit staff use the information from form 470-0464 to create a new "debtor record." An identifier is used as a key to access the debtor record.

- ◆ For clients, the identifier is based on the state ID number whenever possible. When the client has no assigned state ID number, the identifier is the social security number. (A child's state ID number or social security number is never used, because a child cannot be a debtor.)
- ◆ For providers, the identifier is based on the provider's social security number or federal tax identification number.

After the "debtor" record is created, DIA creates a "claim record." The claim record contains information about a specific overpayment.

### **Making a Fraud Referral**

**Legal reference:** 481 IAC 71.4(10A)

The Overpayment Recovery Unit reviews the record to determine whether a referral for suspected fraud should be made to the Economic Assistance Fraud Bureau. Multiple overpayments and Department requests for investigation may also be referred.

No further recovery action is taken until the DIA Economic Assistance Fraud Bureau completes the investigation.

A provider that is convicted of fraudulently receiving CCA funds may be subject to sanctions. See [Sanctions for Provider Fraud](#).

### **Issuing a Demand for Repayment**

**Legal reference:** 481 IAC 71.5(10A)

The repayment process begins with a notice to the debtor that an overpayment has occurred. Within 30 days of receiving form 470-0464, the Department of Inspections and Appeals (DIA) sends demand letters to inform the debtor that an overpayment has occurred.

Depending on who received the overpayment, DIA sends either:

- ◆ Form 470-3627, *Demand Letter for Child Care Assistance Provider Error Overissuance*, to the provider, or
- ◆ Form 470-3807, *Demand Letter for Child Care Assistance Client Error Benefit Overissuance*, to the client, or
- ◆ Form 470-4530, *Notice of Child Care Assistance Overpayment*, to either the client or provider.

The client or provider has 20 days from the date of the demand letter to enter into a repayment agreement or to appeal the overpayment.

A demand letter is sent whether the case is active or closed.

DIA reviews the circumstances of each referral and decides whether recovery should be initiated immediately or a referral should be made to the county attorney for prosecution.

### **When Recovery Is Suspended or Waived**

**Legal reference:** 441 IAC 170.9(7)

The Department of Inspections and Appeals (DIA) is responsible for suspensions and waivers of recovery efforts. Recovery is suspended on nonfraud overpayments when the amount of the overpayment is less than \$35. Recovery is waived on nonfraud overpayments that are less than \$35 and have been in suspension for three years.

Even though recovery may be suspended, refer all overpayments of less than \$35 on canceled cases to DIA.

### **Overpayment Refunds and Payments**

**Legal reference:** 441 IAC 170.9(5)

A client or provider may wish to refund a Child Care Assistance (CCA) overpayment in part or in full before the end of the 30-day appeal period. The client or provider may come directly to the local office with the refund. When the client or provider makes a payment by check or money order, instruct the client to make the remittance payable to the "Iowa Department of Human Services."

### **Client Refunds**

**Legal reference:** 441 IAC 170.9(5)

If a Child Care Assistance (CCA) client wants to refund a CCA overpayment in part or in full before the end of the 30-day appeal period, accept the refund. Provide the client with form 470-0009, *Official Receipt*, for the refund. Identify the payment as a client CCA refund.

Complete form 470-0010, *Adjustment to Overpayment Balance*. The client's name must be listed as the debtor on form 470-0010.

Forward a copy of form 470-0009, *Official Receipt*, together with the repayment and form 470-0010, *Adjustment to Overpayment Balance*, to the Cashier's Office, Room 14, Bureau of Purchasing, Payments and Receipts, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

Both form 470-0009 and form 470-0010 must identify the refund as a CCA repayment.

### **Provider Refunds**

**Legal reference:** 441 IAC 170.9(5)

When a child care provider returns the original Child Care Assistance (CCA) warrant, complete form 470-0009, *Official Receipt*, and forward a copy of the receipt and the returned warrant to: Cashier's Office, Room 14, Bureau of Purchasing, Payments and Receipts, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

If a CCA provider wants to refund a CCA overpayment in part or in full before the end of the 30-day appeal period, accept the refund. Provide the provider with form 470-0009, *Official Receipt*, for the refund. Identify the payment as a provider CCA refund.

Complete form 470-0010, *Adjustment to Overpayment Balance*. The provider's name must be listed as the debtor on form 470-0010.

Forward a copy of form 470-0009, *Official Receipt*, together with the repayment and form 470-0010, *Adjustment to Overpayment Balance*, to the Cashier's Office, Room 14, Bureau of Purchasing, Payments and Receipts, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

Both form 470-0009, *Official Receipt*, and form 470-0010, *Adjustment to Overpayment Balance*, must identify the refund as a CCA repayment.

### **Appeal Filed After Client or Provider Refund**

**Legal reference:** 441 IAC 170.9(5)

When a client or provider makes voluntary repayments in the 30-day appeal period and later appeals before the end of the 30 days, forward an updated 470-0464, *Overpayment Recovery Information Input*, to the Department of Inspections and Appeals (DIA) within three working days of the date the appeal is received. Enter the pending appeal status code.

Do not accept further payments until either the appeal is withdrawn or a final decision is received that upholds the Department's action. Voluntary repayments already received will not be returned to the provider, unless the final decision directs the Department to do so.

If a client or provider loses an appeal, the client or provider is also responsible for repaying the excess amount received during the appeal process. Recovery should begin no later than one month after the month the final decision is issued. (The recovery may be delayed until the second month because of timely notice.)

### **Client or Provider Payments**

**Legal reference:** 441 IAC 170.9(5)

The Department of Inspections and Appeals (DIA) sends form 470-0130, *Overpayment Statement*, each month to debtors who have made cash agreements to repay their claim. The Overpayment Recovery system issues these statements on the last working day of the month. This statement:

- ◆ Tells the debtor the amount of the payment due for the month.
- ◆ Lists all payments received during the current month. (This billing cycle also determines delinquent accounts.)
- ◆ Serves as a receipt.

A client or provider may send payment on a recoupment action directly to the local office. If you receive a payment, issue form 470-0009, *Official Receipt*. Attach the receipt and payment to form 470-0010, *Adjustment to Overpayment/Balance*, and send them to: Cashier's Office, Bureau of Purchasing, Payments and Receipts, Room 14, 1305 E Walnut St., Des Moines, Iowa 50319-0114.

Payments from clients or providers should be accompanied with the top portion of the billing statement the client or provider has received from DIA. The statement contains identifying numbers so that a payment can be applied to the correct debtor's account. If there is no accompanying document or identifying numbers, the cashier must search the system to find the debtor record.

When the client or provider makes a payment by check or money order, instruct the client to make the remittance payable to the "Iowa Department of Human Services."

### **Sanctions for Provider Fraud**

**Legal reference:** 441 IAC 170.7(234)

If a child care provider is convicted of fraudulently receiving Child Care Assistance (CCA) funds, they are subject to sanctions from the CCA program. There are three levels of sanctions that may be imposed:

- ◆ Review of the provider's claims for payment from the CCA program.
- ◆ Suspension from receipt of CCA payments for six months.
- ◆ Ineligibility to receive further CCA payments.

The type of sanction imposed on the provider depends upon the nature of the fraudulent practice. The Department's central office staff will consider the following factors in determining what type of sanction to impose:

- ◆ Prior violations or sanctions.
- ◆ Seriousness of the violation.
- ◆ Extent of the violation.
- ◆ Whether a lesser sanction will be sufficient to remedy the problem because the provider has received education or instruction and is willing to follow program rules in the future.

Department staff take the following steps when imposing a provider sanction:

1. Upon notification by the Department of Inspections and Appeals (DIA) that a provider has been convicted of fraudulently receiving CCA funds, the Department's central office staff will determine which level of CCA sanction will be imposed.
2. Once the Department's central office has determined the type of CCA provider sanction that will be imposed, the Department's child care staff for the county where the provider is located will be notified by e-mail to send the provider a *Notice of Decision: Child Care Assistance* to cancel the *Child Care Assistance Provider Agreement* and impose the sanction.

The Department's central office will also send this e-mail to the state level PROMISE JOBS coordinator who will notify the appropriate PROMISE JOBS county offices.

The effective date of the *Notice of Decision: Child Care Assistance* imposing the sanction shall be the first of the month following timely and adequate notice requirements. A copy of this notice should be sent to the corresponding PROMISE JOBS county office.

If a provider attempts to reapply to receive CCA funding for child care before the sanction has ended, send the provider a *Notice of Decision: Child Care Assistance* to deny the request for a new *Child Care Assistance Provider Agreement*.

NOTE: This sanction does not affect the provider's ability to remain registered or licensed. The sanction affects only eligibility to receive CCA funding from the Department.

3. At the same time the *Notice of Decision* is sent to impose the sanction, Department staff shall send each CCA family a notice to inform them that a sanction is being imposed on their provider and offer to assist the family in finding another provider. A template for form 470-4053, *Notice of Child Care Assistance Provider Sanction*, can be found in Outlook/State Approved Forms/Income Maintenance.

PROMISE JOBS staff shall send any FIP families who are using the sanctioned provider the *Notice of Child Care Assistance Provider Sanction*, form 470-4053, using the form template provided to them by the Department.

NOTE: A list of all children who are authorized in the SRS system to receive care from the sanctioned provider will be generated to serve as the mailing list for the *Notice of Child Care Assistance Provider Sanction*. This list will be included in the e-mail notification sent from the Department's central office to the Department's field staff about the provider sanction.

4. The *Notice of Decision: Child Care Assistance* imposing the sanction requires the provider to submit the names and addresses of all children (both CCA eligible **and** private-pay children) receiving care to the Department's local office within five business days.

If the provider submits the names, send the *Notice of Child Care Assistance Provider Sanction* to all families who have not already received notification.

If the provider fails to submit the names and addresses within five business days as required, staff should contact the Department's central office. The Department's central office will request that the attorney general file a petition with the district court of the county in which the provider is located for issuance of a temporary injunction enjoining the provider from providing child care until the names and addresses are submitted to the Department.

The Department's central office will maintain information regarding sanctioned child care providers in an electronic format and make the list available to the public on the Department's web site at:  
<http://www.dhs.state.ia.us/FinancialHealthandWorkSupports/childcareassistance.asp>. The Department's field staff will be notified when a provider is added to the list of sanctioned providers.

The Department's field staff will also be able to access CCA sanction information by using the DCPD computer system. The "sanction code" field on the DCPM screen indicates whether a provider is sanctioned and the sanction type:

R	Review of billing records for six months
S	Suspended from receiving CCA funding for six months
I	Ineligible to receive CCA payments permanently
Blank	Not sanctioned

NOTE: Before approving a provider's CCA payment, and before signing a new or updated *Child Care Assistance Provider Agreement*, you **must** check the DCPD system **and** the sanction list posted on the Department's web site to ensure that providers who are suspended or ineligible for CCA funding are not approved to receive CCA payments in error.



### **Notifying DIA of Changes**

**Legal reference:** 441 IAC 11.2(217,421)

Notify the Department of Inspections and Appeals (DIA) when circumstances change (e.g., the client has a new address or phone number), or additional claims need to be added for a provider or client (e.g., a provider has multiple overpayments with different children receiving assistance). You, as well as the courts, may initiate changes in the total overpayment owed, the balanced owed, or both.

Submit changes on a new form 470-0464, *Overpayment Recovery Information Input*, or write in RED on a photocopy of the previous form. Update the record for appeals and for changes of client or provider address, in the 'to' or 'from' dates, or in the claim amount.

### **Appeals Process**

**Legal reference:** 441 IAC 7.5(9)

Clients and providers can appeal an overpayment claim. Process appeal requests according to procedures in 1-E, [RESPONSIBILITIES OF DEPARTMENT'S REPRESENTATIVE](#). Prepare the appeal summary and send it to the Department's Appeals Section. Staff in the Appeals Section will decide whether to certify a request to the Department of Inspections and Appeals (DIA) for a hearing.

All of the forms used to notify the client or provider of a Child Care Assistance (CCA) overpayment have appeal rights on the back and constitute notices of adverse action. The Department grants a hearing according to policies and procedures in 1-E, [APPEALS PROCEDURES](#).

The provider or client has 30 days to appeal an overpayment and the amount of the overpayment. The 30-day appeal period begins the day after the demand letter has been issued. Collection efforts will not begin until the 30-day appeal period is over. Voluntary provider or client repayments can be made within the 30-day period.

If an appeal is received within the 30-day period, send DIA an updated form 470-0464, *Overpayment Recovery Information Input*, within three working days. The repayment process is suspended until the appeal process is complete.

Change the appeal status to "pending," which notifies DIA to suspend or postpone collection activities until the pending appeal has been resolved. Collection efforts cannot begin until a final appeal decision is made which upholds the Department's action.

CCA payments continue during the appeal process. If a client or provider loses an appeal, the client or provider is also responsible for repaying the excess amount received during the appeal process. Recovery should begin no later than one month after the month the final decision is issued.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

July 2, 2002

## GENERAL LETTER NO. 13-G-14

ISSUED BY: Bureau of Financial and Work Supports  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**, title page, new, Contents (pages 1, 2, and 3), new; and pages 1 through 77, new.

### Summary

Child Care Assistance program rules were revised effective April 1, 2002. These rule changes eliminated the *Child Care Certificate*, form 470-2959, and added

- ◆ 470-3871, *Child Care Assistance Provider Agreement*, done once for each provider participating in the program.
- ◆ 470-3915, *Notice of Decision: Child Care Assistance*, containing the detailed authorization information for the care of each child covered
- ◆ 470-3872, *Child Care Assistance Attendance Sheet*, documenting the actual time the child was in care to support the invoice.

This letter moves the Child Care Assistance policy from Chapter 18-I to Chapter 13-G. Policy changes in the new chapter in addition to those mentioned above include:

- ◆ Addition of instructions on how to establish overpayments and how to determine whether the overpayment is due to provider or client error.
- ◆ Updating the monthly gross income limit to be consistent with the federal poverty guidelines for determination of eligibility for child care assistance.
- ◆ Updating the fee assessment schedule to be consistent with the update to the monthly gross income guidelines.

The new chapter also removes incorrect, obsolete, or unclear language and adds new language and examples to help clarify existing policy.

There is no need to do desk reviews due to this change in forms. Staff should not begin or renew a *Child Care Certificate*. As existing certificates expire or need to be modified due to reported changes or six-month reviews, initiate the new *Child Care Assistance Provider Agreement* instead.

Procedures for the new *Child Care Assistance Provider Agreement* require that PROMISE JOBS staff send all forms to the county DHS office for processing and forwarding to the appropriate entity. PROMISE JOBS staff will no longer send the background checks directly to DCI, as they have in the past. A flowchart outlining this new process is attached to this letter.

Staff should begin to send child care overpayment claims to the Department of Inspections and Appeals for entry into the Overpayment Recovery system so that demand letters can be sent, and collections may begin. The new demand letters are being added to 6-Appendix.

Five new Child Care Assistance program overpayment codes have been assigned. This means that any overpayment claims that have been sent to central office before this general letter have incorrect program coding. These claims will be returned to the county offices to change the program coding. Please change the incorrect code to one of the appropriate new codes and resubmit the claim.

**Effective Date**

July 1, 2002

**Material Superseded**

None.

**Additional Information**

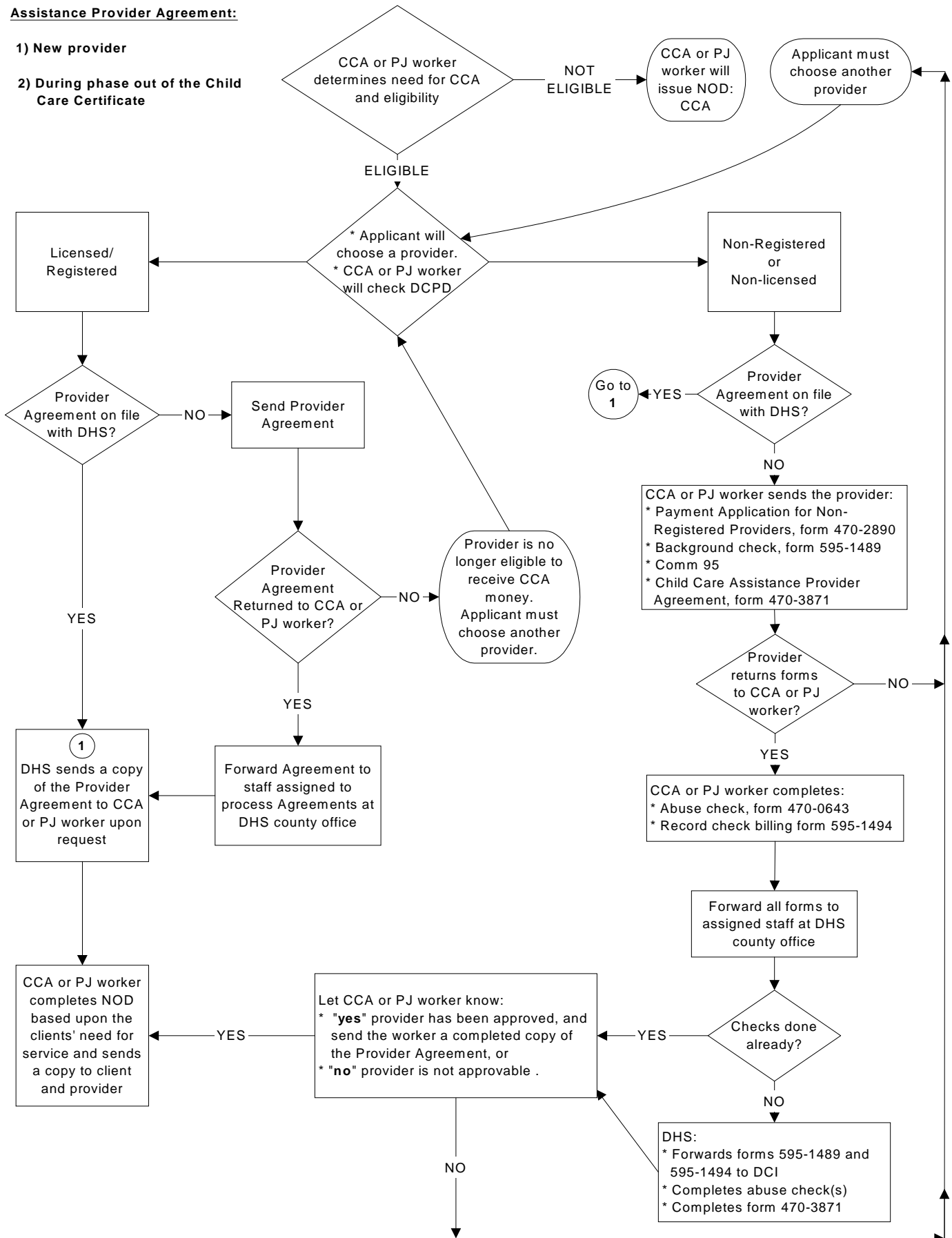
Refer questions about this general letter to your service area manager or income maintenance supervisor 2.

## IMPLEMENTATION

### Reasons to Initiate a Child Care Assistance Provider Agreement:

1) New provider

2) During phase out of the Child Care Certificate





# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

June 17, 2003

## GENERAL LETTER NO. 13-G-15

ISSUED BY: Bureau of Financial Support,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, ***CHILD CARE ASSISTANCE***,  
Contents (page 1), revised; pages 17, 18, 19, and 48, revised; and pages 18a and  
18b, new.

### Summary

This chapter is revised to:

- ◆ Update the gross income limits to be consistent with the federal poverty guidelines for determination of eligibility for Child Care Assistance. These changes also update the fee assessment schedule to be consistent with the update to the gross income guidelines.
- ◆ Update the medical absence section to incorporate new rules regarding eligibility. Parents no longer need to be absent from the home due to hospitalization or outpatient treatment for chemotherapy, radiation or dialysis in order to be eligible for child care assistance. Parents who are present in the home, but unable to care for their own children as verified by a physician, can now get Child Care Assistance without requesting an exception to policy.

### Effective Date

July 1, 2003

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (page 1)	July 2, 2002
17, 18, 19, 48	July 2, 2002

### Additional Information

Refer questions about this general letter to your income maintenance supervisor 2.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

October 21, 2003

## GENERAL LETTER NO. 13-G-16

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**, Title page, revised; Contents (pages 1, 2, and 3), revised; pages 1 through 77, revised; and pages 78 through 99, new.

### Summary

The entire chapter on Child Care Assistance has been rewritten to

- Clarify confusing language,
- Add new sections of procedural information, and
- Add or enhance existing language and examples in order to clarify policy and procedure.

These changes are being made in response to the recommendations of the Child Care Assistance work group that met in late 2002.

### Effective Date

Upon receipt

### Material Superseded

Remove the entire Chapter G from Employees' Manual, Title 13, and destroy it. This includes the Title page, Contents (pages 1-3), and pages 1-77, all dated July 2, 2002, and Manual Letter 13-G-3, dated December 10, 2002.

Refer questions about this general letter to your service area manager, income maintenance supervisor, or Iowa Workforce Development Coordinator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

February 24, 2004

## GENERAL LETTER NO. 13-G-17

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, ***CHILD CARE ASSISTANCE***, pages 14, 23, 34, 41, 49, 51, 52, 60, 65, 66, 76, and 83, revised.

### Summary

The Child Care Assistance chapter is revised to:

- Exclude adoption subsidy payments as income when determining eligibility and fees.
- Correct typographical errors and update obsolete information.

### Effective Date

March 10, 2004

### Material Superseded

Remove from Employees' Manual, Title 13, Chapter G, pages 14, 23, 34, 41, 49, 51, 52, 60, 65, 66, 76, and 83, all dated October 21, 2003, and destroy them.

### Additional Information

Refer questions about this general letter to your service area manager, income maintenance supervisor 2, or Iowa Workforce Development coordinator.





# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

May 11, 2004

## GENERAL LETTER NO. 13-G-18

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, ***CHILD CARE ASSISTANCE***,  
Contents (page 3), revised; pages 37, 38, 94, 98, and 99, revised; and pages 100,  
101, and 102, new.

### Summary

Revisions to this chapter implement the new Child Care Assistance sanctions for providers who have been convicted of fraudulent billing practices.

The rules excluding adoption subsidy payments as income for Child Care Assistance became effective on April 21, 2004.

### Effective Date

Upon receipt.

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Manual Letter 13-G-4	March 16, 2004
Contents (page 3)	October 21, 2003
37, 38, 94, 98, 99	October 21, 2003

### Additional Information

Refer questions about this general letter to your service area manager, income maintenance supervisor 2, or Iowa Workforce Development coordinator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

June 8, 2004

## GENERAL LETTER NO. 13-G-19

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**, pages 2, 3, 6, 7, 9, 24 through 28, 32, 35, 58, 61, 62, 63, 67, 74, and 80 through 86, revised.

### Summary

This chapter is revised to update the gross income limits to be consistent with the 2004 federal poverty guidelines for determination of eligibility for Child Care Assistance. These changes also update the fee assessment schedule to be consistent with the update to the income guidelines.

Administrative rule references have also been updated.

### Effective Date

July 1, 2004

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
2, 3, 6, 7, 9, 24-28, 32, 35, 58, 61, 62, 63, 67, 74, 80-86	October 21, 2003

### Additional Information

Refer questions about this general letter to your service area manager, income maintenance supervisor 2.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

August 12, 2005

## GENERAL LETTER NO. 13-G-20

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**, pages 1, 7, 11, 13, 14, 21, 25, 26, 35, 36, 42, 46, 48, 52, 57, 61, and 72, revised.

### Summary

Chapter 13-G is revised to:

- ◆ Change the gross income limits to be consistent with the federal poverty guidelines for determination of eligibility for child care assistance as follows:
  - Increase the maximum gross monthly income limits for basic care from 140% of the federal poverty level to 145% of the federal poverty level.
  - Increase the maximum gross monthly income limits for special needs care from 175% of the federal poverty level to 200% of the federal poverty level.
- ◆ Change the fee assessment schedule to be consistent with the update to the income guidelines.
- ◆ Increase the maximum provider reimbursement rates to reflect the 2002 market rate survey.
- ◆ Correct legal references, change form names, and change language for clarification.

### Effective Date

September 1, 2005

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
1	October 21, 2003
7	June 8, 2004
11, 13	October 21, 2003
14	February 24, 2004

21	October 21, 2003
25, 26, 35	June 8, 2004
36, 42, 46, 48	October 21, 2003
52	February 24, 2004
57	October 21, 2003
61	June 8, 2004
72	October 21, 2003

**Additional Information**

Refer questions about this general letter to your service area manager, your area income maintenance supervisor 2, or Iowa Workforce Development coordinator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

June 2, 2006

## GENERAL LETTER NO. 13-G-21

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
Contents (page 1), revised; and pages 2 through 5, 9, 25, 37, 61, 62, and 84,  
revised.

### Summary

This chapter is revised to:

- ◆ Update the gross income limits to be consistent with the federal poverty guidelines for determination of eligibility for Child Care Assistance.
- ◆ Update the fee assessment schedule to be consistent with the update to the gross income guidelines.
- ◆ Add language on the new form 470-0462 or 470-0466(S), *Health and Financial Support Application*.
- ◆ Add language to reference residency being a factor in eligibility for Child Care Assistance.
- ◆ Correct cross references.

### Effective Date

July 1, 2006

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (page 1)	October 21, 2003
2, 3	June 8, 2004
4, 5	October 21, 2003
9	June 8, 2004
25	August 12, 2005
37	May 11, 2004
61	August 12, 2005
62, 84	June 8, 2004

**Additional Information**

Refer questions about this general letter to your service area manager, your area income maintenance administrator, or Iowa Workforce Development coordinator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

August 4, 2006

## GENERAL LETTER NO. 13-G-22

ISSUED BY: Bureau of Financial and Work Supports, Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, *CHILD CARE ASSISTANCE*, pages 35 and 36, revised.

### Summary

This chapter is revised to remove the exception to allow Child Care Assistance for children age 13 or older if there are special circumstances surrounding the child in need of care.

### Effective Date

Upon receipt.

### Material Superseded

Remove from Employees' Manual, Title 13, Chapter G, pages 35 and 36, dated August 12, 2005, and destroy them.

### Additional Information

Refer questions about this general letter to your service area manager, area income maintenance administrator, or Iowa Workforce Development coordinator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

December 15, 2006

## GENERAL LETTER NO. 13-G-23

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, ***CHILD CARE ASSISTANCE***, pages  
4, 52, 80, and 81, revised.

### Summary

This chapter is revised to:

- ◆ Allow the use of the *Child Care Assistance Review*, form 470-4377, to redetermine eligibility; and
- ◆ Adjust the rate ceilings for basic care.

### Effective Date

January 1, 2007

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
4	June 2, 2006
52	August 12, 2005
80, 81	June 8, 2004

### Additional Information

Refer questions about this general letter to your service area manager, area income maintenance administrator, or Iowa Workforce Development coordinator.





# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

March 16, 2007

## GENERAL LETTER NO. 13-G-24

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, *CHILD CARE ASSISTANCE*, pages  
51 and 53, revised.

### Summary

This chapter is revised to update the in-home provider rate using the new state minimum wage amount of \$6.20 an hour, for a unit rate of \$31.00.

### Effective Date

April 1, 2007

### Implementation Instructions

Obtain a new provider agreement from all in-home providers showing the new rate. The new rate must be entered in the POSS provider data file before invoices for April care are processed.

**Note:** Rules require us to pay in-home providers at the minimum wage. Invoices received in May for April care must be paid at the new rate even if the new agreement is not yet completed.

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
51	February 23, 2004
53	October 21, 2003

### Additional Information

Refer questions about this general letter to your area income maintenance administrator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

July 6, 2007

## GENERAL LETTER NO. 13-G-25

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
Title page, revised; Contents (pages 1, 2, and 3), revised; pages 1  
through 102, revised; and pages 103 through 121, new.

### Summary

This chapter is revised to:

- ◆ Update the gross income limits to be consistent with the federal poverty guidelines for determination of eligibility for child care assistance.
- ◆ Remove the current fee chart and insert a new fee chart that bases the family's fee on how many children are in care. The new fee chart will be used for eligibility determinations made on or after July 1, 2007.
- ◆ Add casino profits as countable income.
- ◆ Exclude a payment from the Iowa Individual Assistance Grant Program (IIAGP) from countable income.
- ◆ Remove depreciation as an allowable expense from self-employment income.
- ◆ Clarify that you cannot offset the loss from one self-employment enterprise against another self-employment enterprise or any other earned or unearned income of a household.
- ◆ Clarify that it may be acceptable to pay two providers for the same clock time when the primary provider is closed on a holiday, charges private pay families for the day, and the family has to have a back up provider. In this situation both providers may be paid for the day.
- ◆ Remove the requirement to complete a *General Accounting Expenditure*, GAX form, and send the invoice to the Bureau of Purchasing, Payments and Receipts when a child care assistance invoice remains unpaid 60 days after June 30.
- ◆ Add clarification that it is the Department's responsibility to issue 470-4377, *Child Care Assistance Review*, to the client at least 30 days prior to the end of the certification period.
- ◆ Allow, through an exception to policy, a child aged 13 to 15 to receive child care assistance if there are special family circumstances that put the child's safety and well-being at risk if left home alone.

- ◆ Add references to new forms, 470-4466, *Child Care Provider Claim*, and 470-4469, *Child Care Claim Cover Letter*.
- ◆ Based on 2007 Iowa Acts, Senate File 601:
  - Add the ability for child care providers to submit bi-weekly bills for service.
  - Add specific timeframes for processing claims.
  - Add procedures for reviewing claims for correctness.
  - Add the requirement to track claims that are returned to the provider.
  - Add specific procedures for processing claims.

### **Effective Date**

July 1, 2007

### **Material Superseded**

Remove the entire Chapter G from Employees' Manual, Title 13, and destroy it. This includes the following:

<u>Page</u>	<u>Date</u>
Title page	October 21, 2003
Contents (page 1)	June 2, 2006
Contents (page 2)	October 21, 2003
Contents (page 3)	May 11, 2004
1	August 12, 2005
2, 3	June 2, 2006
4	December 15, 2006
5	June 2, 2006
6	June 8, 2004
7	August 12, 2005
8	October 21, 2003
9	June 2, 2006
10	October 21, 2003
11	August 12, 2005
12	October 21, 2003
13, 14	August 12, 2005
15-20	October 21, 2003
21	August 12, 2005
22	October 21, 2003
23	February 24, 2004
24	June 8, 2004
25	June 2, 2006
26	August 12, 2005
27, 28	June 8, 2004
29-31	October 21, 2003
32	June 8, 2004
33	October 21, 2003
34	February 24, 2004
35, 36	August 4, 2006

37	June 2, 2006
38	May 11, 2004
39, 40	October 21, 2003
41	February 24, 2004
42	August 12, 2005
43-45	October 21, 2003
46	August 12, 2005
47	October 21, 2003
48	August 12, 2005
49	February 24, 2004
50	October 21, 2003
51	March 16, 2007
52	December 15, 2006
53	March 16, 2007
54-56	October 21, 2003
57	August 12, 2005
58	June 8, 2004
59	October 21, 2003
60	February 24, 2004
61, 62	June 2, 2006
63	June 8, 2004
64	October 21, 2003
65, 66	February 24, 2004
67	June 8, 2004
68-71	October 21, 2003
72	August 12, 2005
73	October 21, 2003
74	June 8, 2004
75	October 21, 2003
76	February 24, 2004
77-79	October 21, 2003
80, 81	December 15, 2006
82, 83	June 8, 2004
84	June 2, 2006
85, 86	June 8, 2004
87-93	October 21, 2003
94	May 11, 2004
95-97	October 21, 2003
98-102	May 11, 2004

### **Additional Information**

Refer questions about this general letter to your service area manager, income maintenance administrator, or Iowa Workforce Development coordinator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

September 28, 2007

## GENERAL LETTER NO. 13-G-26

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
Contents (pages 1, 2, and 3), revised; Contents (page 4), new; pages 9,  
16 through 29, 45, 61, 62, 73 through 77, 85, and 89 through 103,  
revised; and pages 8a through 8s, 28a, 28b, 84a, 102a, and 102b, new.

### Summary

This chapter is revised to:

- ◆ Add clarifying language on alien eligibility policy.
- ◆ Add an explanation that background checks must be done on all people aged 14 or older in the home when a family uses a provider that comes into their home to provide care.
- ◆ Add instructions on the Return Reason (RTN RSN) field in Purchase of Service System (POSS).
- ◆ Add clarification on when it is acceptable to pay a provider during the timely notice period.
- ◆ Add clarification on determining need when a parent or guardian participates in a drug or alcohol treatment program.
- ◆ Add clarification and examples on how to determine countable income.
- ◆ Add clarification on determining need when a parent or guardian has home-based employment.
- ◆ Update format under the section, "Reviewing Claims."
- ◆ Add clarification on referrals to front-end investigations.
- ◆ Correct an error to the fee schedule.

### Effective Date

September 1, 2007

## **Implementation Instructions**

### **Applicants**

Apply alien policy when processing Child Care Assistance applications received September 1, 2007, or later for families containing an alien child member.

### **Participants**

Apply alien policy to Child Care Assistance reviews received September 1, 2007, or later for families containing an alien child member.

## **Material Superseded**

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (pages 1-3)	July 6, 2007
9, 16-29, 45, 61, 62, 73-77, 85, 89-103	July 6, 2007

## **Additional Information**

Refer questions about this general letter to your service area manager, income maintenance administrator, or Iowa Workforce Development coordinator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

December 14, 2007

## GENERAL LETTER NO. 13-G-27

ISSUED BY: Bureau of Financial and Work Supports  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
pages 50 and 52 revised.

### Summary

Rules require the Department to pay in-home providers the minimum wage. This chapter is revised to update the in-home provider rate using the new state minimum wage amount of \$7.25 an hour. The new unit rate is \$36.25.

### Effective Date

January 1, 2008

### Implementation Instructions

Obtain a new provider agreement from all in-home providers showing the new rate. The new rate must be entered in the POSS provider data file before claims for January care are processed.

NOTE: Claims received in January and February for January care must be paid at the new minimum wage.

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
50, 52	July 6, 2007

### Additional Information

Refer questions about this general letter to your area income maintenance administrator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

May 23, 2008

## GENERAL LETTER NO. 13-G-28

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
Contents (page 2), revised; and pages 25, 26, 28, 28a, 28b, 29 through  
34, 57 through 62, 75, 76, 99, 100, and 101, revised.

### Summary

This chapter is revised to:

- ◆ Update the gross income limits for the determination of eligibility for Child Care Assistance to be consistent with the federal poverty guidelines.
- ◆ Update the fee assessment schedule and examples to be consistent with the update to the gross income guidelines.
- ◆ Clarify that children under the age of 18, or under the age of 19 if the child has special needs, are included in the family size.
- ◆ Add a new section, "Projecting Income," to the chapter. The language under this section had previously been under the section, "Countable Income."
- ◆ Clarify that income should be verified.
- ◆ Change the language and location of the section, "Countable Income."
- ◆ Add income exclusion for federal or state earned income tax credits (EITC), whether received with regular paychecks or as a lump sum included with the income tax refund.
- ◆ Remove the section, "Determining Initial and Ongoing Eligibility."
- ◆ Remove references to monthly units.
- ◆ Clarify and add an example explaining that when a client is using multiple providers it may be appropriate to pay more units than authorized on the *Notice of Decision: Child Care Assistance*.
- ◆ Clarify how to handle claims with more units than approved on the *Notice of Decision: Child Care Assistance*.



- ◆ Clarify that items such as income, hours worked, and school schedule should be verified at review time.
- ◆ Clarify when *Notice of Decision: Child Care Assistance* needs to be issued to families on Family Investment Program (FIP) during the review process.

### **Effective Date**

July 1, 2008

### **Material Superseded**

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (page 2)	September 28, 2007
25, 26, 28, 28a, 28b, 29	September 28, 2007
30-34, 57-61	July 6, 2007
62, 75, 76, 99-101	September 28, 2007

### **Additional Information**

Refer questions about this general letter to your area service or income maintenance administrator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

August 8, 2008

## GENERAL LETTER NO. 13-G-29

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
Contents (pages 2, 3, and 4), revised; pages 13 through 16, 29 through  
34, 36 through 42, 55 through 58, 59 through 64, 102a, 102b, 103  
through 106, and 111 through 114, revised; and pages 58a, 102c, and  
102d, new.

### Summary

This chapter is revised to:

- ◆ Add daytime sleep hours to the need for service for employment when a parent works at least six hours between the hours of 8:00 p.m. and 6:00 a.m. and:
  - There is not another parent in the home; or
  - The other parent in the home is unable to care for the child during the daytime hours because the other parent meets a need for service during those hours.
- ◆ Change the name and clarify the definition of "Volunteer service organizations" under the section "Countable Income," to "AmeriCorps."
- ◆ Add income exclusions for reimbursements from an employer for job related expenses, stipends from the Preparation for Adult Living (PAL) program, payments from the Subsidized Guardianship Waiver program, and the living allowance payments made to participants in the AmeriCorp\*VISTA program.
- ◆ Add the requirement that applicants, participants, and providers must cooperate with investigations conducted by the Department of Investigations and Appeals.
- ◆ Add the requirement that overpayments caused by agency error are subject to recoupment.
- ◆ Add form 470-4530, *Notice of Child Care Assistance Overpayment*.

### Effective Date

August 1, 2008

### **Material Superseded**

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (pages 2, 3, 4)	September 28, 2007
13-15	July 6, 2007
16	September 28, 2007
29-34	May 23, 2008
36-42, 55, 56	July 6, 2007
57-62	May 23, 2008
63, 64	July 6, 2007
102a, 102b, 103	September 28, 2007
104-106, 111-114	July 6, 2007

### **Additional Information**

Refer questions about this general letter to your social work administrator, income maintenance administrator, or Iowa Workforce Development coordinator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

September 19, 2008

## GENERAL LETTER NO. 13-G-30

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
pages 3 through 6, 41, 42, 45, and 51, revised; and page 42a, new.

### Summary

This chapter is revised to:

- ◆ Clarify that a household may apply for child care on the *Health and Financial Support Application* at an interview for another program or before action is taken on the application for the other program. When this occurs the application date for CCA will be the date the application was filed for the other program.
- ◆ Add the requirement that nonregistered child care homes must meet the definition of a child care home.
- ◆ Clarify that background checks only have to be done on the provider and not others in the home when the family uses a provider that comes into the family's home to provide care.
- ◆ Adjust the rate ceilings for basic and special needs care.

### Effective Date

October 1, 2008

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
3-6	July 6, 2007
41, 42	August 8, 2008
45	September 28, 2007
51	July 6, 2007

### **Additional Information**

A letter was sent out on August 15, 2008 to registered and licensed child care providers. The letter informed them of the maximum payment rates for Basic and Special Needs care. Enclosed with this letter was a *CCA Provider Agreement*. Providers were told that if they wanted their payment rates reviewed, they were to fill out the *CCA Provider Agreement* and mail it to their local DHS office as soon as possible.

If the provider is eligible for a rate increase, complete the new *CCA Provider Agreement* and return it to the provider to implement the revised rate and enter the rate change into the POSS system. The effective date of the provider's payment rate adjustment will be October 1, 2008, or the first of the month the Department receives their Provider's *CCA Provider Agreement*, whichever is later.

Please remember to send any updated *CCA Provider Agreements* to PROMISE JOBS.

Refer questions about this general letter to your area service administrator, income maintenance administrator, or Iowa Workforce Development coordinator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
EUGENE I. GESSOW, DIRECTOR

October 17, 2008

## GENERAL LETTER NO. 13-G-31

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 13, Chapter G, **CHILD CARE ASSISTANCE**,  
Contents (page 2), revised; pages 31 through 34, revised.

### Summary

This chapter is revised to add income exclusions for:

- ◆ Earnings of a child age 18 or younger who is a full-time student, and
- ◆ Earnings received by temporary workers for the Bureau of Census.

### Effective Date

November 1, 2008

### Material Superseded

Remove the following pages from Employees' Manual, Title 13, Chapter G, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (page 2)	August 8, 2008
31-34	August 8, 2008

### Additional Information

Refer questions about this general letter to your service area manager, income maintenance administrator, or Iowa Workforce Development coordinator.